

DEMOCRACY FOR BREAKFAST?

UNVEILING MIRAGE DEMOCRACY IN
CONTEMPORARY AFRICA



TATAH MENTAN

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Unveiling Mirage Democracy in
Contemporary Africa

Tatah Mentan



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Dedication

To

Daniel Yang (Fai Mbuh)

Sammy Chumfong

Bernard Fonlon

who taught us to:

Listen attentively

Read critically

Think profoundly

And

Write addictively

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Foreword

“Even Jesus Christ cannot conduct a free and fair election in Nigeria”-Obasanjo, Olusegun in GbengaToye’s Blog, accessed 6/24/13.

“Democracy is like beauty: you know it when you see it” – Anonymous.

“Just too much democracy in Ghana! But... No water! No electricity! No food! No money! Do we eat democracy? Do we feed our children with democracy? All politicians-rogues! They come to us only when there is election! After election, you don’t see them again!”

Anonymous Accra Market woman to a BBC Reporter, 12/17/2012.

“Development is dead. Only politics is alive. When you wake up and tune to CRTV you only hear politics. Politicians led by President Paul Biya give us democracy for breakfast, lunch and supper. CRTV gives the impression that Biya Popol has given us life. He is the only God to be praised for giving us life as our life President. Under Popol Cameroon don die finish. Today it is démocratie avancée; tomorrow it is démocratie apaisée. No! No développement avancé? No développement apaisé?”

Source: groups.yahoo.com/group/SCMG
NOTICEBOARD/message/1862?var...accessed 4/9/2010.

In Egypt, young revolutionaries feeling despair,

“Some of those who acted as the shock troops of 2011’s revolution in Egypt see themselves as lost under the ruling Islamists,” January 01, 2013, by Reem Abdellatif, Los Angeles Times.

“I can’t believe we are fighting again for the right to vote.”

ZANU(PF) election slogan, June 2000. In March 2002 there were variations on the theme such as ‘People First. Our land is our prosperity,’ ‘Work the Land, Reap Prosperity; Build the Nation,’ and ‘What Would You Vote For? Plots to Kill ... or Plots to Till. On March 9 and 10 Vote for Your Land, Vote for President R.G. Mugabe.’

Introduction

These disparate and desperate voices of despair all point to the fact that democracy has become a mirage in contemporary Africa. In fact, “Democracy” is in, and “development” is out as buzzwords for Africa. The very “development” idea and word are in apparently terminal crisis. The new idea to replace it is “democracy.” Why? The reason for the proliferation of these discordant voices is that neoliberalism or corporate market-driven economics has become the dominant economic ideology of the last decades which insists upon an extreme separation of government and capital so that the market can operate “freely.” According to this reasoning, the market operates only in the interests of individuals without allegiance to the collective society. Government exists solely to provide basics such as standards for weights and measures, laws and courts to protect property and infrastructure for the market. The ideology welcomes state intervention only when that intervention is to corporate advantage as in trade agreements, bailouts or corporate welfare. Under neoliberalism, state resources and public programs such as health and education are decreasingly funded and increasingly privatized.

The agenda of neoliberalism is to create globalized states in Africa. The government of any globalized state serves the interests of transnational capital devoid of any real connection to the people of the nation. The globalized state rules through economic structures such as trade agreements, the International Monetary Fund, World Bank, World Trade Organization and through international military actions. Neoliberalism therefore is the default position of capitalism to which it reverts unless restrained by popular struggles against its institutionalized rule in political systems such as neofeudalism, managed democracy and inverted totalitarianism.

Neofeudalism: This is the reconfiguration of a political and economic system to create an empowered tiny oligarchic elite class. It bears the structure described by George Orwell in “1984” in which there is an inner party (2 to 4 percent) of corporate and political managers, an outer party (12 to 14 percent) that consists of managers, the national security state and the propaganda arm, and the rest of the

population exists as “proles.” This is commonplace not only in South Africa but also in countries like Morocco and many others in Africa.

Managed Democracy: This is a governmental system that includes widespread voter franchise and competitive elections. But, the elections are managed so that no matter what candidate(s) are elected, the elites win. The role of citizens in government is to choose between two pre-selected candidates, neither of whom will represent the people’s interests and both of whom will represent solely the corporate elites’ interests. The main feature of such a system is political theater. One sees such a system in all Francophone countries in Africa.

Inverted Totalitarianism: Classical totalitarianism is the model of Hitler or Mussolini. In this case an all-powerful government is led by a charismatic leader that partners with business interests in a national security state. Inverted totalitarianism is a similar marriage of government and business, but the measures employed to maintain this relationship are more subtle. It is the coming of age of corporate power, maintained through a security state working in tandem with corporate propaganda that permeates influential institutions such as the media, education, popular culture and evangelical religion as in Nigeria.

A new vocabulary is thus developing to describe the current state of democracy under neoliberal globalization In Africa. Strangely, instead of: “Democracy” *demokratia* = demos+*kratia*; or democracy = people+power, one finds this distortion: **Capitalism=Democracy**. The peddling of this equation is deceitful in that capitalism is an economic system based on private ownership of capital, goods and the means of production. Goods and services are produced for profit. It is an inherently unequal system. Under capitalism therefore, there is a separation of political and economic power, which gives people the false impression of democratic participation.

The argument of this book is therefore that for democracy to flourish and deliver on its promises in Africa—including political participation, human rights, access to justice, a good education, an improved quality of life, a healthy environment, and personal security—its citizens must be informed, engaged, empowered, and assertive. Similarly, institutions of governance must be culturally

inclusive, transparent, accountable, and responsive. The failure to deliver on their promises undermines the commitment to democratic practices. Wealthy and powerful actors exercise undue influence, and voices that historically have been excluded remain unheard in decision-making processes, rendering the much vaunted democracy a mirage.

Africans continue to face a number of democratic deficits: a decline in many traditional forms of civic engagement; reduced participation in the formal institutions of democracy, including but not limited to voting; and declining trust in all institutions, especially institutions of government. These deficits are being exacerbated by deeply rooted economic challenges, and African society is becoming increasingly polarized, socially, economically, ethnically and politically.

Apparently, Africa is making a mockery of electoral democracy. Elections are an essential component of democracy and the process of democratization. They are supposed to enable people to choose among a host of competent parties and leaders, facilitate peaceful change, foster more open societies, and in most cases lead to increased economic growth and long-term development. If democracy were only about voting, Africa would have been the most democratic continent on earth. Unfortunately, voting is just a part of the democratic process. Democracy needs institutions that ensure transparency, rule of law, accountability and popular participation to foster people's democratic rights. This is where Africa falls short.

Nevertheless, electoral success stories abound. In 2010, against all odds, Guinea held its first ever democratic election. The following year, Niger transitioned to civilian rule in a ballot widely hailed as an example for the rest of Africa. In 2011 and 2012, respectively, people in Zambia and Senegal peacefully headed to the polls and chose opposition leaders to govern them. Still, while Africa is clearly becoming more democratic, elections there don't always lead to more democracy. For ballots to serve their intended purpose politicians and political parties must compete equally for power and accept the results; elections must be peaceful and intimidation-free; and scores must be kept by independent bodies. Above all, elections succeed when civil society is actively involved.

As evidence demonstrates, elections in Africa have become theaters for killings, manipulation, division, and chaos, fuelled by undemocratic political parties in some cases. In such settings, sectional, tribal, ethnic, or religious tensions—combined with “winner take all” mindsets—have exploded into deadly cocktails of violence. Kenya knows that lesson well. In 2007, contested elections in East Africa’s economic giant descended into anarchy as politicians stirred up ethnic violence, leading to some 1,600 deaths and 600,000 people internally displaced.

Making elections work requires that governments, election management bodies, political parties, and civil society organizations not only join efforts to ensure credible and transparent elections but also address the root cause of political violence: exclusion. That is to say, high rates of unemployment, lack of political participation, gender inequalities, and deep imbalances in the distribution of local level resources, accentuated by political patronage, lie at the heart of the continent’s failed market-driven democracies.

From Angola to Somalia, Rwanda to Zimbabwe, conflict and poverty scar Africa. But Africans everywhere are investing huge energies in search of democratic change and social betterment in the hope that peace and wealth will follow. This assumption partly explains why Kukathas (1998:21) asserts that “We live in an age of democracy fetishism” and “global political phenomenon of ‘democratization.’” There is no doubt that democracy is a vague and confusing concept. It is misused and abused all over the world, Africa being no exception. Unfortunately, the industrialized countries of the West have not faced the democratization project in Africa with any sense of consistency. European colonial rule wrought the stifling of the indigenous democracies in Africa.

But, the decolonization process and the attendant neocolonialism called for democratization despite the complicity of the West in supporting African dictators during the Cold War conflict. Similarly, the tensions of the Cold War, the fall of the Berlin Wall and the new era of neoliberal globalization—all gave new impetus to the struggle for democracy throughout the continent. Yet the problem with this new impetus is that the type of democracy proposed and, sometimes,

foisted on Africans is the rigid, Western hegemonic version of it. Ironically, the historically unfounded underlying assumption in this new drive is that Africans had never possessed or experienced democratic ideas and governments.

What was the midwife of this Western hegemonic version? African countries were forced by the newly formed transnational elite of the North, through a ‘carrot and stick’ policy, to abandon any idea of planning development and, instead, open their markets to foreign capital and commodities. The carrot was a series of ‘structural adjustment’ economic programs that those countries had to accept in order to be eligible for much needed loans and grants from the North. The stick was the US threat of sanctions against the exports of any country that continued to protect its local production (e.g. the 1988 US Trade Act). This way, not only the markets have been opened, but also any effective subsidization of local production was abolished, creating a huge comparative advantage for the products of TNCs and squeezing the prices of primary products on which the livelihood of millions of people in the South, especially Africa, depended. The inevitable result has been the huge concentration of income and wealth that characterizes the present internationalization of capital and the state in Africa.

How did this process of internationalization begin? Economic policies provide part of the rhetoric of political agendas. The intrinsic logic of these economic policies, therefore, may not be as interesting as their political effects. A declaration of policy “success” from either radicals or conservatives is likely to be a function of whether concentrated and powerful interests or voters at large believe that they will benefit from the reform in question, not whether the policy has enhanced aggregate growth or contributed to the growth of liberal societies.

What of the future? Democracies in Africa, whether more or less democratic, can initiate policies of economic liberalization, but will they eventually become liberal democracies? And under what conditions will the reforms succeed in bringing about both growth and development? In the following section I hypothesize four outcomes in the form of scenarios for the future; each scenario weighs the factors

differently to produce alternative hypotheses about the political base of support for liberalizers or their opponents.

Rapid marketization and integration into the global economy will lead to export growth in manufactured goods, debt reduction, and economic growth. A weak entrepreneurial class throughout the region would mean that initially Western aid and direct foreign investment will be the central agents of successful economic transformation and the key support base for liberalizers; foreign firms will bring in the latest technology; markets will diffuse it throughout the domestic economy; capital will flow to competitive export-oriented high technology industries, increasing the political clout of exporters who support radical liberalizers. Because foreign capital will flow into post-welfare African economies, currencies need not be undervalued, and therefore managers' incentives to compete in export markets in goods produced with cheap labor will be reduced. Foreign investors will locate their manufacturing and service facilities in Africa because of market and customer considerations rather than proximity to needed raw materials or low labor rates. These investors will use their clout in the political process to support liberalizers and radical policy choices.

The prosperity created by the rapid introduction of markets will create the conditions under which polyarchies can be transformed into stable democracies, social groups can be mobilized by stable political parties, "illiberal" politics, once nurtured by past legacies, can be undermined, and citizenship rights can be extended. An increase in aggregate growth rates will create widespread political support for liberalizers. This is the dreamed logic of neoliberal globalization which posits market-driven democracy as a two-in-one package with corporate capitalism.

Africa, a brief introduction

Africa is one of five of the world's continents. It is the second largest continent in the world both in area and population. It has an area of 11,699 square miles, more than three times the size of USA. In 1990, Africa had a population of 642 million representing 12% of the world's population. Africa is made up of over fifty nations with an

estimated one thousand different languages spoken and as many distinct ethnic group. Africa is perhaps the most linguistically and ethnically diverse of the entire world's continents.

Africa is endowed with immense natural and human resources, as well as great cultural, ecological and economic diversity. In terms of natural resources, Africa is the world's richest continent. It has 50% of world's gold, most of the world's diamonds and chromium, 90% of the cobalt, 40% of world's potential hydro-electric power, 65% of the manganese, millions of acres of untilled farmland and other natural resources (IMF Survey on Kinshasa conference, March 30, 2012).

In spite of these impressive facts on Africa, for much of history and even in contemporary times most non-Africans have referred to it as the "Dark continent". In the past this reference was a reflection of the ignorance of the people of the West of Africa's immense potential. However in recent years, reference to Africa as the Dark Continent is mainly due to the over emphasis of negative reportage on Africa by the Western media. The headline news on Africa has focused on decay in African states, endemic corruption at all levels of government, chronic human rights abuse, hunger, famine, poverty, civil wars and recently HIV-Aids pandemic.

These stories, of course, are not mere fabrication. African countries confront very real and severe challenges. For instance, Sub-Saharan Africa, home to about a tenth of the world's population, is the location of half of the world's civil wars, refugees and most of its famine. What the Western media have failed to notice and to include in their reportage is that, in spite of the political, social and economic challenges confronting Africa, the continent is not in the throes of total disintegration and decay. Reports on African issues are most often *ahistorical* with no attempt to provide a historical context of antecedents of the issue. Many believe that most of the political and economic issues of contemporary Africa have deep seated roots in the colonial and post colonial experience i.e. effects of the cold war and globalization. The capacity and reach of the states in Africa, the absence of culturally relevant democratic structures and practices, the ethnic, civil and religious conflicts that have plagued post colonial Africa is a reflection of the legacy of colonialism.

Stakes in Democracy

Democracy is often dismissed as moralism distinct from American and other Western interests or mere lip service to build support for strategic policies. Yet there are tangible stakes as well as claims for the United States and indeed the world in the spread of democracy—namely, greater peace, inclusiveness, rule-of-law, transparency, prosperity, and pluralism. Controversial means for promoting democracy and frequent mismatches between deeds and words have clouded appreciation of this truth.

Democracies often have conflicting priorities, and democracy promotion is not a panacea. Yet one of the few truly robust findings in international relations is that established democracies never go to war with one another. Foreign policy “realists” advocate working with other governments on the basis of interests, irrespective of character, and suggest that this approach best preserves stability in the world. However, durable stability flows from a domestic politics built on consensus and peaceful competition, which more often than not promotes similar international conduct for governments.

There has long been controversy about whether democracy enhances economic development. The dramatic growth of China certainly challenges this notion. Nevertheless, history will likely show that democracy yields the most prosperity. Notwithstanding the global financial turbulence of the past three years, democracy’s elements facilitate long-term economic growth. These elements include above all freedom of expression and learning to promote innovation, and rule of law to foster predictability for investors and stop corruption from stunting growth. It is for that reason that the UN Development Program (UNDP) and the 2002 UN Financing for Development Conference in Monterey, Mexico, embraced good governance as the enabler of development. These elements have unleashed new emerging powers such as India and Brazil and raised the quality of life for impoverished peoples. Those who argue that economic development will eventually yield political freedoms may be reversing the order of influences—or at least discounting the reciprocal relationship between political and economic liberalization.

Finally, democracy affords all groups equal access to justice—and equal opportunity to shine as assets in a country's economy. Democracy's support for pluralism prevents human assets—including religious and ethnic minorities, women, and migrants—from being squandered. Indeed, a shortage of economic opportunities and outlets for grievances has contributed significantly to the ongoing upheaval in the Middle East. Pluralism is also precisely what is needed to stop violent extremism from wreaking havoc on the world.

These stakes have become a menu item, politics for breakfast, as African people peep beneath the veil of Mirage Democracy foisted on them by neoliberal globalization. That is why the late 1980s and 1990s were characterized by concerted struggles for democratization and the clamor for good governance on the African continent (Anyang' Nyong'o 1987). The thirst for freedom and justice, the political fallout from the structural adjustment programs and the entrenched autocratic and repressive political systems dominant in most of Africa's post-colonial history provided the incentive and legitimacy for popular democratic struggles. The democratic struggles triggered constitutional and political changes and reforms in many countries compelling the holding of elections and granting of civil and political freedoms (Gyimah-Boadi, 2004: 53; Bujra and Adejumobi, 2002). Between 1996 and 2006, 44 elections were conducted in Sub-Saharan Africa, and between 2005 and 2007, 26 presidential and 28 parliamentary elections were held in Africa (UNECA, 2009: 17).

Invariably, the democratic process has taken different turns and trajectories in different African countries, with different levels of progress. While elections have become more regular, and other components of liberal democracy relatively improved compared to the situation that obtained two decades ago, the quality of democracy and governance remains suspect in most countries. Indeed, this quality remains a mirage. Strengthening democratic governance in terms of the building of democratic institutions and the capacity of the neoliberal state in Africa to manage the political and economic processes of society for developmental purposes remains a major challenge for many African countries. Indeed, some scholars argue that the quality of governance in Africa is receding, and that the democratic project on

the continent is not only being questioned, but has also become endangered. There is therefore a need to reflect on the progress, challenges, and prospects of the democracy and governance project in Africa.

Apart from the process issues involved in the development of democracy in Africa, there is also the need to revisit and interrogate the theoretical discourse on the democracy project in Africa in the interface between democracy, institution building and development; the question of the democratic developmental state; and the democracy and political culture discourse in this era of neoliberal globalization. Neoliberal democracy must not be taken for granted in Africa. It must be interrogated in its form, content, feasibility and linkage with development—development that has virtually been pushed to the backburner.

A major issue of debate from the 1970s, which resonated well in African scholarly circles in the late eighties and early 1990s, was the linkage between democracy and development. While some argued that the values of liberal democracy (freedom of expression, civil and political liberties etc.) are good in themselves and should not be forcibly merged with development, others contended that democracy would only have meaning if it provides a link to development. The importance of the role of social movements in the democratization processes was emphasized by a number of contributors to the debates, which began even before the onset of the wave of national conferences that swept through many countries of West and Central Africa.

Around the mid-nineties Mkandawire (1999, 2001) and others sought to bridge the gap by advocating for a democratic developmental state. The issue of the form, content and “feasibility of democracy in Africa” (Ake, 2000) needs to be re-examined as part of charting of the future of democracy in Africa, particularly as violent conflict, and the genocide in Rwanda tended to dampen the enthusiasm generated by the fall of authoritarian regimes and the end of apartheid in South Africa. The transition from authoritarianism to democracy has therefore been the subject of numerous scholarly and policy debates. These days, much of the discussion is framed in terms of governance,

more specifically democratic governance, and how to establish or sustain it.

A number of governance indexes have been developed with a view to facilitating the monitoring of the quality of governance, and the various reports on African governance published in recent years give a good indication as to where democracy and democratic governance is being consolidated, and where there have been reversals or stalemates.

Indeed, recent assessments tend to suggest that there is marginal progress on governance in Africa (UNECA, 2005, 2009), however, there are several and formidable challenges in the consolidation of democratic governance on the continent as identified by those reports. The resurgence of military coups d'état, the rancor, violence and apparent manipulations associated with elections, and the trend towards political settlement after electoral conflicts through the formation of coalition governments all point to the deficits of Africa's new democracies. A rigorous scholarly introspection and projection into the future of governance and democracy in Africa is therefore highly desirable and timely. That is the task of this book.

The reason is that a democratic freeze has seemingly hit most areas of Africa. And it could be a protracted one. Certainly, each previous wave of democratic change has had to contend with authoritarian hard-liners, military juntas, opposition divisions, and divergent national trends. But most of the African political openings are closing faster and more harshly than expected.

Focus of this Book

Asking "Is Africa democratic or democratizing?" should rightly provoke a healthy debate—with some rather predictable, combative, and contradictory responses as the voices above indicate. These divergent voices probably come up because we shouldn't just be quibbling over whether or not an African country is a democracy—but on whether or not that country enjoys a certain minimum quality of democracy. In other words, a quality democracy is one in which there is not only participation, representation, and (the always debatable point of) free and fair elections, but also a balance of power: a political

system in which the executive branch does not legislate as it is the practice in all former French colonies in Africa where rule-by-decree is a dominant norm; a political system in which the judiciary is not a branch of the government but a part of the state, and where the citizens have rights to be protected. As long as the law is democratic, justice is democratic.

The focus of this book is therefore to seek answers to the following questions. After several decades in which the process of neoliberal democratization began in Africa, how far has Africa gone in terms of promoting democracy and democratic governance? What are the differing interpretations and discourses on democracy and democratic governance in Africa? How do these discourses on democracy in Africa differ from those of other regions of the global South? What are the landmarks and achievements of democratization in Africa in the last decades? What are the lessons learned? What are the main challenges, problems and prospects? What is the state of knowledge on the democracy discourse in Africa and globally? Which social forces constitute democratic champions and agency that engage, contest and may invariably reconfigure the political landscape in Africa in the wake of rampant neoliberal globalization? How can democratic institutions and processes-elections, party systems, parliament and judiciary be improved upon to satisfy African aspirations to democracy? How feasible are the national, regional and global initiatives and frameworks in reinforcing the drive towards democratization and good governance in Africa? How can Africa construct a better democratic future on the current fragile political foundations? What are the prospects of democracy and good governance in Africa in the next decades of the 21st Century? These are some of the issues to be addressed by this book.

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Chapter 1

Introduction: Context, Concepts and Substance

Overview

Concepts lie at the core of social science theory and methodology. They provide substance to theories; they form the basis of measurement; and, they influence the selection of cases for any study. One of the greatest challenges facing the social sciences today is the task of cultivating a closer connection between theoretical concepts and empirical analysis. The task of this chapter is therefore to connect theoretical concepts of market-driven globalization and democratization in Africa.

Introduction

The talk of the day in Africa nowadays is democracy. Nobody cares to ask: What democracy? Whose democracy? Democracy for what? Information gleaned from *World Bank Data* refer to the most recent year available between 1990 and 2005 and UNESCO *Institute of Statistics, 2006* as well as UNICEF's *State of the World's Children 2009* attests to the misery of Africa. This is demonstrated by challenges faced by the entire continent. Data gleaned from East Africa as an example give us a picture as follows:

Poverty

- 141,000,000 people in East Africa live on less than \$2US/day.
- Typical family has 6 children.
- Cost of education remains the largest obstacle: \$750 full board, \$30 uniform/shoes, \$30 school supplies.
- Low innovation and entrepreneurship contributes to high unemployment rates and dependency on foreign aid.

Access to Education

- East Africa has high initial primary enrollment rates (>90%), but 30-40% of students leave before they complete primary school.
- In 2007, only 25% of elementary school students went on to high school because of the expenses.
- In 2006, 101 million children – more than half of them girls – were not attending primary school; the majority of these children live in sub-Saharan Africa.
- Sexual violence, unsafe school environments and inadequate sanitation disproportionately affect girls' self-esteem, participation and retention in school.

Quality of Education

- East Africa struggles to provide quality education and infrastructure as indicated by student-to-teacher ratios, primary completion rates, secondary enrollment, and youth literacy rates.
- Student-to-teacher ratios have increased in sub-Saharan Africa due to mandatory enrollment, creating an average ratio of 72 students to 1 teacher.
- Four million new primary school teachers are needed in East Africa alone to reach the goal of universal primary education by 2015.
- Crowded and dilapidated classrooms, coupled with insufficient teaching resources and instructional time, reflect well-below average standard of educational institutions. Advanced learning is impeded due to nonexistent basic math and science materials.

The Lure of Democracy in Africa

The spread of democratization to and domestic clamors for democracy in Africa as a neoliberal ideology from the early 1990s has presented the most significant political change in the continent since the independence period. Firstly, throughout the continent, significant political liberalization has resulted in the emergence of a free press, opposition parties, independent unions and a multitude of civic organizations autonomous from the state. Officially multi-party electoral democracies have become commonplace. Many people

quarrel over the practice of democratic politics. The claim by Western donors that they represented the main motor behind democratization (Decalo 1992) raises heated suspicions in Africa as to whether the democracy being peddled is not another form of recolonialism with an African face.

Secondly, “the current paradox of efforts to reinvent democracy in Africa has been that rather than dampening the fires of ethnic conflict, they have often made them more intense and have been accompanied by the explosion of violent conflicts of autochthony (Throup and Hornsby 1998) confrontations of ‘sons of the soil’, that threaten the very bases of social order and cohesion in multi-ethnic societies”.

Thirdly, the present African political transition process is occurring within a global context in which neo-liberal economic assumptions are dominant and rampant. These assumptions are having a strong impact on the continent’s own domestic situation. The neo-liberal economic agenda poses a grave threat to the prospects of consolidating democracy and of beginning to address the social and economic crisis in which the majority of Africans find themselves. African socialists view this existential situation as an urgent obligation to identify, unpack and critique this neo-liberal agenda. It is not just socialists who have an interest in criticizing the neo-liberal agenda, but it is particularly from a socialist outlook that a consistent and robust critique is most likely to emerge (Mentan 2012).

Fourthly, the classic modernization argument on the political economy preconditions for democratization sets a clear agenda: attaining an economic development threshold, education, the emergence of a middle class, the decentralization of economic power, a Weberian bureaucracy and Schumpeterian entrepreneurs, among others (Lipset 1959, 1994 and Rostow, 1960). To this process, economic demography added the modernization impact of demographic transition (Bloom *et al.*, 2003), and economic institutionalism a set of basic economic institutions (North 1990). This agenda is as radiant as an evening star, and as distant a dream in Africa. Fundamental political transitions are almost inevitably volatile. It therefore comes as no surprise that the period since the 1990s and subsequent elections in Africa see—amid the overall sense of

achievement and increasing goodwill—moments of political uncertainty and tension. I dare say this period has tossed Africa on an ocean of shock and change.

Finally, there is widespread disillusionment over democratization in Africa. Democratic transition has been successful in only a few countries in sub-Saharan Africa. In most countries a mixed system prevails, which has prevented the beginnings of a rational and legal administration asserting itself against continuing patrimonial power structures. Decisions are taken not on the basis of institutionalized rules, but in favor of personal relationships and to personal advantage. Elections serve a bogus democratic legitimation for the propagandistic consumption of foreign donors and the new rulers take over power structures practically without change.

Context

To lay bare the ideological context of neoliberal democratization it is essential to examine the wisdom of neo-liberal reforms in Africa. While neo-liberal reforms have certainly affected workers in the West, it is in Africa where they have had most impact. Neo-liberal policies seek to reduce state control over the national economy in favor of private capitalists—the so-called ‘free market’. These policies have been most widely applied in Africa for the simple reason that they are the policies promoted by the International financial institutions (IFI’s), the World Bank, IMF and WTO. Many African countries are chronically broke. They must regularly borrow money to finance the public sector and to service their existing debt. The IMF is willing to provide loans but with a series of ‘conditionalities’ attached. These are neo-liberal reforms which must be carried out under the terms of the loan. The IMF deals are known as Structural Adjustment Programs (SAP) and are very rarely welcomed by the government which implements them, never mind the ordinary people who are affected by them. Even where they have been rigorously enforced the SAP’s have generally failed to show the predicted benefits such as increased foreign investment—Uganda being a good example.

The SAP's often impose harsh conditions which cause huge suffering amongst the poor and include changes that would never be accepted by the ruling class in the powerful countries since the reforms cause sudden, large changes for the worse in many people's lives. This sudden deterioration of standards of living often leads to instability and violence borne out of the desperation of the masses. Tellingly any SAP was one of the elements which contributed to the increased tension in the lead up to the Rwandan genocide.

The International Financial Institutions (IFI) also contributes to the unequal system of trade between rich and poor countries by reinforcing the colonial division of enterprise. Africa is meant to be an exporter of raw materials so industrialization will not be financed. In practice much of the raw materials exported from Africa such as coffee, cocoa and copper are bought by huge Western monopolies which have the power to set prices. Thus African exports of raw materials have over the years bought ever fewer manufactured imports from the West. By supporting this continued exploitation the IFI reveal their imperialist nature.

In concrete terms the neo-liberal policies which have been widely implemented in Africa are:

- *Removal of state control over prices and money. This has meant that subsidies on basic goods such as food and fuel have been removed. In some countries even the most basic foodstuffs have become too expensive for the poor. Food riots against SAP measures have occurred all over the continent, notably in Zimbabwe. In Nigeria in June 2000, an IMF-driven increase in the price of fuel provoked a week long general strike and mass resistance. The liberalization of currency regulations allows capital to invest and disinvest in the country much more easily. This creates the possibility of capital flight and speculative attacks on the currency. Significantly Uganda and Ghana who have been model citizens in implementing IMF reforms both suffer from rampant devaluation of their currency causing inflation of prices and other economic problems.

- *Large cuts in public spending. This has had several drastic effects. Firstly there have been massive layoffs of public sector workers in many countries. Hundreds of thousands of workers have been

retrenched in places like Senegal, Zambia and Tanzania as a result of SAP's. Other cutbacks in public spending have seen reduced social programs and increased charges. Current Structural Adjustment demands for Mozambique include a fivefold increase in health charges.

*Privatizations of state owned corporations such as electricity, water and transport. These privatizations have often merely replaced a state monopoly with a private monopoly which has generally led to price rises and the effective barring of the services to vast numbers of the poor. In South Africa, electricity and water cut offs have become common in the townships of Soweto as part of the ANC's neo-liberal GEAR policy.

*Policies to promote a 'flexible' workforce. This essentially means the large scale subcontracting of labor and a reduction in workers' rights, wages and conditions. Workers at Wits University in Johannesburg recently saw their salaries cut by almost 70% and lost all of their benefits under a restructuring plan.

*Policies to promote competitiveness. This involves reducing tariff barriers and reducing taxes on businesses and the rich to attract investment. As a result of this, local industries can be undermined by cheap imports as happened to the South African textile industry over the last few years causing massive job losses. Sales taxes (VAT) are introduced as alternatives to company and income tax. This causes increases in prices of goods for workers and big increases in profits for bosses. In countries like Uganda and South Africa the introduction of VAT has faced considerable resistance

Concepts

It is impossible to deny that over the last couple of decades important changes have taken place in the functioning and organization of the world economy. Although it is too brief and too schematic, a list of four especially important elements may be useful:

1. An increase in the number of really integrated global markets for products and trade, and especially for finance.

2. Without going along with the overstatement that big companies are now footloose,¹ there is no denying the growing weight of

multinationals in the global economy: companies try to plan and organize the conception, production, and distribution of their products and services preferably not only regionally or bi-regionally but globally, with important consequences for their structures. In its World Investment Report 1998 UNCTAD estimates that the world counts at least 53,000 transnational companies (TNCs) and at least - in all likelihood it is more - 448,000 foreign affiliates.

3. An increase in problems of governance and regulation on a global level, as a consequence of the fact that national states are becoming - and making themselves - less effective: supranational organizations (G7, IMF, WTO, BIS, OECD, etc.) and regional organizations (EU, NAFTA, MERCOSUR, etc.) get a bigger role to play.

4. A globalization of macroeconomic policies: since the counterrevolution that took place in economics at the end of the 1970s, the monetarist and neoclassical paradigms are almost unchallenged in international institutions and in the political mainstream. Variants of the same recipes (export-oriented growth, fewer social policies and a smaller public sector, free trade and free capital flows, deregulation, flexibilization, privatization, and priority to price stability) are followed or forced through (with the help of international organizations and financial markets) everywhere in the world.

Africa has not been spared of these changes. Edward Miguel's "Africa Unleashed: Explaining the Secret of a Belated Boom" published in *Foreign Affairs* of November/December 2011 states:

"It is well known that the 1970s, 1980s, and 1990s were a disaster for the countries of sub-Saharan Africa. In a period when other underdeveloped regions, especially Asia, were experiencing steady economic growth, Africa as a whole saw its living standards plummet. Nearly all Africans lived under dictatorships, and millions suffered through brutal civil wars. Then, in the 1990s, the HIV/AIDS epidemic exploded, slashing life expectancy and heightening the sense that the region had reached rock bottom. It was no surprise when an intellectual cottage industry of Afro-

pessimists emerged, churning out a stream of plausible-sounding explanations for Africa's stunning decline. The verdict was simple: Africa equaled failure."

"What is less well known is that Africa's prospects have changed radically over the past decade or so. Across the continent, economic growth rates (in per capita terms) have been positive since the late 1990s. And it is not just the economy that has seen rapid improvement: in the 1990s, the majority of African countries held multiparty elections for the first time since the heady post-independence 1960s, and the extent of civic and media freedom on the continent today is unprecedented."

Important for all these aspects of economic globalization is today's dominant combination of free trade and free movement of capital. Indeed, free trade and free international capital mobility have not always been coupled. During the post-World War II "golden age of capitalism," for example, cross-border financial flows were heavily regulated (see, e.g., Eatwell and Taylor, 2000). As UNCTAD researcher Felix (1995: 1) puts it:

"Is free international capital mobility compatible with free trade and stable exchange rates? The answer of the architects of the Bretton Woods system, who filtered the inter-war experience through the then burgeoning Keynesian theoretical paradigm, was a firm no. The current answer of the chief surviving Bretton Woods institution, the International Monetary Fund, and of the G-7 monetary authorities, who filter post-World War II experience through the New Classical Macroeconomics paradigm, is yes. Their efforts to stabilize the volatile international monetary system are premised on the compatibility, indeed the desirability, of combining free international capital mobility with stable exchange rates and free trade."

It is not by accident that Felix quotes Keynes in describing "proposals to stabilize exchange rates and promote free trade without limiting international capital mobility" as "exercises in squaring the

circle.” This is contrary to the contemporary global financial markets and the theology of free trade. Keynes was one of the principal architects of the Bretton Woods agreement of 1944. During the negotiations U. S. representative White promised “to respect the priority the British attached to full employment,” although controls on international capital movements were “contrary to White’s early vision of a world free of controls on both trade and financial flows” (Eichengreen, 1996: 96-8). Clearly the United States did not subscribe to “the darker Keynesian view of the behavior of financial markets, in which volatility is largely endogenously generated because the bandwagon overbidding and herd-like dumping of financial assets result from rational individual behavior under uncertainty” (Felix, 1998: 196). And as Boughton (1997: 10) notes:

“The truth is that the founding fathers were downright bullish on capital controls As drafted at Bretton Woods, Section I (a) of article VI read: “A member may not make net use of the Fund’s resources to meet a large or sustained outflow of capital, and the Fund may request a member to exercise controls to prevent such use of the resources of the Fund. If, after receiving such a request, a member fails to exercise appropriate controls, the Fund may declare the member ineligible to use the resources of the Fund.”

After the Second World War, capital controls were broadly considered to be necessary as a means to give governments a certain control over the national economy, to allow for the implementation of national policy goals (Eichengreen, 1996). The background is the basic macroeconomic policy “trilemma” that a country can only have two of the following three features: a fixed exchange rate, full capital mobility and monetary policy independence (Wyplosz, 1998: 4).

I wish to note clearly here that the international foreign exchange market operates around the clock. It opens on a Monday morning in Hong Kong, while it is still Sunday night in San Francisco. Throughout the day, markets begin trading in Tokyo, Zurich, Frankfurt, Paris, London, New York, Chicago, and finally the West Coast of the United States. When the markets close in Los Angeles and San Francisco on

Monday evening, Hong Kong is one hour away from beginning foreign exchange trading on Tuesday.

The monetary policy of “a fixed exchange rate, full capital mobility” means that countries combining a more or less fixed (or pegged) exchange rate with free movement of capital, as is common today and was common before the First World War under the gold standard, are forced to give up control over domestic macroeconomic objectives, such as full employment in Western Europe, either inducing capital formation or dampening inflation in developing countries (Bruton, 1998: 907). Capital controls, Eichengreen (1996: 5) argues, “loosened the link between domestic and foreign economic policies, providing governments room to pursue other objectives like the maintenance of full employment.... By limiting the resources that the markets could bring to bear against an exchange rate peg, controls limited the steps that governments had to take in its defense. For several decades after World War II, limits on capital mobility substituted for limits on democracy as a source of insulation from market pressures.”

Although today national economies are increasingly linked and inter-woven, the idea that capital controls are an essential (though insufficient) policy tool to safeguard economies from becoming a plaything for financial markets has now largely disappeared. In a typical editorial, the *Financial Times* (April 18, 1998) explained that everybody should understand that now “at the national level, the emerging global standard consists of liberal trade and open financial market.” This “global standard” is promoted, pushed and blackmailed permanently into all corners of the world, by international organizations and lobby groups, national business elites, multinationals and traders on financial markets. It was therefore hardly a surprise that U. S. Treasury Secretary Rubin recently “urged African governments to open goods and financial markets and embrace globalization even at the risk of political difficulties” (*Financial Times*, July 15, 1998).

The problem with pegged exchange rate systems as evidenced by the CFA Franc Zone in Africa is that the rates don’t stay fixed. The foreign exchange market itself is more powerful and seems to find ways to unhinge them. The system requires a country to maintain large

reserves of foreign currencies to supply the market when there is an excess demand for them at the official exchange rate. *Capital flight* occurs in two ways: a) when investors fear that inflation or inevitable currency devaluation will undermine the real rate of return on their investments; and, b) when local political kleptocrats loot national treasuries to save abroad for the proverbial “rainy day”. When the reserves are depleted, there is a *currency crisis*, and the country is forced to let its currency devalue and find the market equilibrium.

The idea of currency devaluation is a form of financial control. This is simple. Instead of old-fashion military occupation of the country, take over the countries in debt crisis, if necessary remove their democratically elected governments from power like in Mali, and use extraordinary powers to mandate austerity, burden them with debt most of which will be stolen and repatriated to the West. In the case of, say Libya, install a puppet, Fifth column based government to protect foreign corporate financial interests. Enjoy the profits. The “elephant in the room” is peak oil and peak food production. Without these and other natural resources extraction growing to fuel population growth and rising standard of living, the future does not look pretty. As soon as growth stops, financial system gets into trouble: private banks based fractional reserve banking requires expansion for survival. So some, less important, banks will implode and strategically important need to be saved by government at a great expense for taxpayers. The corporate elite are well aware of this possibility and do steal, loot and pillage as fast as they can to prolong the agony of Africa. Expansion is a substitute for growth.

What actually is devalued in austerity programs imposed on indebted nations via currency depreciation is the price of local labor (along with standard of living of the most population). That is the main domestic cost, as long as there is a common world price for fuels and minerals, consumer goods, food and even credit. As wages are sticky and cannot be reduced by “internal devaluation” (high unemployment, leading to falling wages), currency depreciation can do the same trick. This is how war of creditors against debtor countries turns into a class war. But to impose such neoliberal reform, foreign pressure is necessary to bypass domestic, democratically elected

Parliaments. Not every country's voters can be expected to be as passive in acting against their own interests as those of Africa. The financial capital objective is to bypass parliament by demanding a "consensus" to put foreign creditors first, above the economy at large. Buying natural monopolies in transportation, communications, and the land grabs from the public domain for pennies on the dollar is called "rescue package", not the road to debt peonage and a financial neofeudalism that looms as a grim reality. Let me state it very simply and clearly: "the borrower (debtor) is SERVANT to the lender". The whole point of creating debtors is to gain control of and rule over them.

Finance is a form of control warfare. Like military conquest, its aim is to gain control of land, public infrastructure, and to impose tribute. This involves dictating laws to its subjects, and concentrating social as well as economic planning in centralized hands. This is what now is being done by financial means, without the cost to the aggressor of fielding an army. But the economies under attack may be devastated as deeply by financial stringency as by military attack when it comes to demographic shrinkage, shortened life spans, emigration and capital flight. This is what Africa is suffering today imposed by the neoliberal orthodoxy.

This attack is being mounted not by nation states as such, but by a cosmopolitan financial class. Finance always has been cosmopolitan more than nationalistic—and always has sought to impose its priorities and lawmaking power over those of parliamentary democracies. Like any monopoly or vested interest, the financial strategy seeks to block government power to regulate or tax it. From the financial vantage point, the ideal function of government is to enhance and protect finance capital and "the miracle of compound interest" that keeps fortunes multiplying exponentially, faster than the economy can grow, until they eat into the economic substance and do to the economy what predatory creditors and *rentiers* did to the Roman Empire.

This case needs further explanation. Fourteen African countries suffer as a result of France's neo-colonialist self-interests. The CFA franc devaluation happens with disastrous consequences. On January 12 1994, Benin, Burkina Faso, Cameroon, Chad, Central African

Republic, Comoros, Congo-Brazzaville, Ivory Coast, Equatorial Guinea, Gabon, Mali, Mauritania, Niger and Senegal were informed that their common currency had been devalued by 50%. 50 CFA francs had bought 1 French franc; now it cost 100 CFA francs. There were violent reactions in many of the countries, especially Senegal, at the loss of 50% of their purchasing power. In 2012 it was even worse as high world prices for food, paid for in US dollars, placed imported food out of the reach of most Africans working in menial jobs, on the farms, as civil servants or unemployed.

The responsibility for this disaster is the failure of the French economy to deal with its long-term structural debt and the use of French reserves to prop up the failing Euro and participate in the several bailouts within the Eurozone. French wars in the Ivory Coast and especially Libya have cut a major hole in the French pocket. Their tame African partners, the presidents of francophone African states, are complicit in this plan for devaluation and continue to follow the lead of their protectors, the French Army, in whatever they suggest. This relationship is long-standing and a paradigm of neo-colonial enterprise.

What is the CFA Franc?

There are two separate CFA francs in circulation. The first is that of the West African Economic and Monetary Union (WAEMU), which comprises eight countries (Benin, Burkina Faso, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal and Togo). The second is that of the Central African Economic and Monetary Community (CEMAC), which comprises six countries (Cameroon, Central African Republic, Chad, Republic of Congo, Equatorial Guinea and Gabon). This division corresponds to the pre-colonial French West Africa (AOF) and French Equatorial Africa (AEF), with the exception of Guinea-Bissau, formerly a Portuguese colony, and Equatorial Guinea, formerly Spanish.

Each of these two groups issues its own CFA franc. The WAEMU CFA franc is issued by the Central Bank of West African States (BCEAO) and the CEMAC CFA franc is issued by the Bank of

Central African States (BEAC). Since 1994, both currencies were pegged at 100 CFA to the French franc but, after France joined the Euro at a fixed rate of 6.65957 French francs to one Euro, the CFA rate to the Euro was fixed at CFA 665.957 to the Euro. The current plan is to peg the rate at CFA 1,000 to 1 Euro - a devaluation of about 35%.

Who is responsible for the CFA Franc?

The monetary policy governing such a diverse aggregation of countries is uncomplicated because it is, in fact, operated by the French Treasury, without reference to the central fiscal authorities of any of the WAEMU or the CEMAC states. Under the terms of the agreement which set up these banks and the CFA, the Central Bank of each African country is obliged to keep at least 65% of its foreign exchange reserves in an “operations account” held at the French Treasury, as well as another 20% to cover financial liabilities.

The CFA central banks also impose a cap on credit extended to each member country equivalent to 20% of that country’s public revenue in the preceding year. Even though the BEAC and the BCEAO have an overdraft facility with the French Treasury, the drawdowns on those overdraft facilities are subject to the consent of the French Treasury. The final say is that of the French Treasury which has invested the foreign reserves of the African countries in its own name on the Paris Bourse.

In short, more than 85% of the foreign reserves of these African countries are deposited in the “operations accounts” controlled by the French Treasury. The two CFA banks are African in name, but have no monetary policies of their own. The countries themselves do not know, nor are they told, how much of the pool of foreign reserves held by the French Treasury belongs to them as a group or individually. The earnings of the investment of these funds in the French Treasury pool are supposed to be added to the pool but no accounting is given to either the banks or the countries of the details of any such changes. The limited group of high officials in the French Treasury who know the amounts in the “operations accounts”, where these funds are

invested and whether there is a profit on these investments are prohibited from disclosing any of this information to the CFA banks or the central banks of the African states.

This makes it impossible for African members to regulate their own monetary policies. Three basic mechanisms have traditionally been used to control monetary growth in the CFA Franc Zone by the two banks operating under the instructions of the French Treasury:

- In the central banks' operations accounts, interest is charged on overdrafts, and conversely, interest is paid on credit balances.
- When the balance in a central bank's operations account falls below an agreed target level, it is required to restrict credit expansion, generally by increasing the cost to member countries of rediscounting paper with the central bank or by restricting member-countries' access to rediscounting facilities.
- Credit provided by the central banks to the government sector of each of their member countries can be no larger than 20% of its fiscal revenue in the previous year.

However, this tight control by France of the cash and reserves of the francophone African states is only one aspect of the problem. The creation and maintenance of the French domination of the francophone African economies is the product of a long period of French colonialism and learned dependence by its vassal states in Africa. For most of francophone Africa, central banks are given limited power. These are economies whose vulnerability to an increasingly globalized economy is increasing daily. There can be no trade policy without reference to currency; there can be no investment without reference to reserves. The politicians and parties elected to promote growth, reform, changes in trade and fiscal policies are made irrelevant except with the consent of the French Treasury which rations their funds. There are many who object to the continuation of this system. Former President Abdoulaye Wade of Senegal stated very clearly: "The African people's money stacked in France must be returned to Africa in order to benefit the economies of the BCEAO member states. One cannot have billions and billions placed on foreign stock markets and at the same time say that one is poor, and then go

beg for money.” This statement automatically aroused the wrath of France against him and he paid expensively, though not by being assassination like the late Burkinabe Thomas Sankara.

Why devalue the CFA Franc?

France has run out of money. It has massive public and bank debt. It has the largest exposure to both Greek and Italian debt (among others) and has embarked upon yet another austerity plan. Its credit rating is on the brink of losing its AAA status and the private banks are going to have to take a major haircut on its intra-European debts. Part of the reason it has been able to sustain itself so far is because it has had the cushion of the cash deposited with the French Treasury by the African states since 1960. Much of this is held in both stocks in the name of the French Treasury and in bonds which have offset and collateralized a substantial amount of French gilts.

The francophone African states have gradually been able to recognize that they may never see their accumulated assets again as these have been pledged by the French Treasury against the French contribution to the several European bailouts. Wade of Senegal has again been asking for accounting. None has been forthcoming. Ouattara of the Ivory Coast and Denis Sassou-Nguesso of the Republic of Congo have been told that it will be necessary to devalue the CFA francs and they have been delegated the role of informing their African presidential colleagues. Devaluation will release funds and extend a lifeline to the French Treasury, which may be called upon to bail out French banks exposed to the European debt crisis.

However, it will have a devastating effect on Africa. The last time there was such a devaluation most of French Africa suffered badly (except for the Presidents and their friends). Devaluation is useful if you have things to export which are made relatively cheaper. However, for most of francophone Africa the goods they have for export are raw materials and petroleum. Much of their manufactured goods, their services, their invisibles come from or through France. Large amounts of food is imported from outside Africa and is growing daily in price as is transport. There were signs of price inflation earlier this year. West

African monetary zone inflation accelerated to 4.1 per cent in January from 3.9 per cent the month before. Inflation in the eight-nation economic zone, which uses the euro-pegged West African CFA franc, was mainly due to rising food, transport, housing and communication costs. Price-growth averaged 1.4 per cent in 2010, up from 0.4 per cent the previous year. Higher prices for petrol and food drove that increase.

One of the countries which were hardest hit by the previous devaluation was the Ivory Coast. That devaluation entailed the signature between the IMF and the World Bank for an Enhanced Structural Adjustment Facility (ESAF) (1994-1996), that imposed drastic measures on the government to make budgetary restrictions destined to straighten up the national economy – this, to no avail.

Furthermore, the “raining billions” (an exceptional, unprecedented volume of credits) encouraged bad governance in the country. The man then in charge was Deputy Managing Director of the IMF and now Ivorian president, Alassane Ouattara. He has been accused of being at the heart of deterring international financing whilst letting the Ivorians sink deeper and deeper into poverty. It was the carrying out of projects financed by the European Union, and the massive deterring of credits linked to postponing debt contracted on behalf of international institutions, that brought these same institutions to break off with the Ivory Coast in 1998. The country then sank into a depression and the growth rate reached a record low. In the year 2000, the figure was negative for the first time in the country’s history: -2.3%.

The price African countries pay for devaluation is poverty, stagnation and increased unemployment. This unemployment and underemployment places a crucial role in domestic stability and growth. While it is easy to see that people without jobs and hope are more willing to take more extreme positions, the economic consequences are also clear. In economics, Okun’s law refers to an empirically observed relationship relating unemployment to losses in a country’s production first quantified by Arthur M. Okun. This ‘law’ states that for every 1% increase in the unemployment rate, a country’s GDP will be at an additional roughly 2% lower than its potential GDP.

Fragile African economies find it hard to develop policies to compensate for these losses.

Although the problem is most acute in the Ivory Coast, which represented at the last devaluation 60% of the assets of the West African Pool, it is no less serious for the other states. Despite this, and the poverty it will bring to the region, there are few African presidents who are willing to renounce the *Pacte Coloniale* and end the terrible toll of French neo-colonialism in the region. France may have overspent its funds and bitten off more than it could chew in European debt and now foreign interventions. Surely it isn't the job of West Africans to pay for this aberrant behavior. This is what has been described as "consensual rape in *Francafrrique* currency markets".

These and other cases reflect a real change in the policy orientation of major international organizations. Writing about the history of the IMF, Boughton (1997: 8) notes that by 1994, "the long-simmering debate over the wisdom of capital controls has been completely overtaken." Echoing the often-heard argument that technological developments leave no choice, he infers that "no country can share in the benefits of international trade unless it allows capital to move freely enough to finance that trade, and modern financial markets are sophisticated and open enough that capital transactions can no longer be compartmentalized as trade-related or speculative."

The IMF is one of the best examples of how far this mutation has gone. While its Executive Board reaffirmed in 1956 the right of members to impose capital controls, the Fund's Interim Committee decided unanimously in April 1997 to amend the Articles of the Fund, so that capital controls will only be allowed temporarily in exceptional situations (*IMF Survey*, May 12, 1997). Nor is the IMF the only powerful international organization pushing in this direction. After heavy negotiations and substantial pressure on hesitant governments, in December 1997 more than a hundred countries signed a pact under the aegis of the World Trade Organization (WTO) to liberalize trade in banking, insurance and other financial services. And secret negotiations by the OECD to formulate a Multilateral Agreement on Investment (MAI), to institutionalize globally the right of capital to freely move in and out of countries, has only failed for now because NGOs managed

to mobilize broad resistance to such an agreement in various parts of the world, and because doubts about such a far-reaching treaty were even present in governmental circles of some of the OECD member states, notably France.

In sum, the case for globalization as a new phenomenon is often overstated, but nevertheless there appear to be a number of new features of capitalism that need to be accounted for. One important aspect of economic globalization is today's emphasis on the combination of free trade and free capital flows, which apparently signifies a return to an international regime similar to the pre-World War I regime. And while today the social, political and economic consequences of and driving forces behind the increasing international interconnectedness of economies are heavily debated, the same was also the case at the beginning of the 20th century.

Free trade and capital mobility were essential instruments for the stabilization and extension of worldwide capitalism at the beginning of the 20th century. Since then many things have changed in the structure and organization of the global economy, but after a long detour such policies are today once again dominant and strongly advocated by important international organizations, university and think-tank figures, and governments of OECD countries. Little or no room is left for different policies. And, as was demonstrated in Asia, unwilling or hesitant governments are pushed to comply with the prevalent paradigm by globalized financial markets, the IMF and like-minded organizations, and national business elites (see Bello, 1998; Bullard, 1998; Wade, 1998; Wade and Veneroso, 1998).

The defense of these policies is also reminiscent of earlier times. Today, free trade and free capital movement are supposed to lead to an optimal allocation of capital, goods and services, and should therefore bring a better life for everybody. In a similar vein, classical economists such as Mill, Torrens and Wakefield once advocated colonization "based on the classical principles of free trade and the free movement of resources," as a means "to ensure continued improvements in living standards for all people, both at home and in the colonies" (Hodgart, 1977, 3-4). As we have seen in the previous section, proponents of imperialist policies at the beginning of the 20th century, as an essential

means to guarantee the stability and growth of capitalism, also presented their policies as beneficial for all, civilizing or even progressive.

But numerous empirical studies show that such policies are not at all beneficial for the majority of the world population (e.g., Galbraith, Darity and Jiaqing, 1998; Pritchett, 1996; UNDP, 1997). As Rubens Ricupero, Secretary-General of UNCTAD, testified in his overview of the 1997 Trade and Development Report (UNCTAD, 1997: 2-10):

“The big story of the world economy since the early 1980s has been the unleashing of market forces.... The “invisible hand” now operates globally and with fewer countervailing pressures from governments than for decades.... Since the early 1980s the world economy has been characterized by rising inequality and slow growth. Income gaps between the North and South have continued to widen.... Polarization among countries has been accompanied by increasing income inequality within countries.... In almost all developing countries that have undertaken rapid trade liberalization, wage inequality has increased.”

Ricupero notes that these facts fly in the face of the many commentators who are optimistic about the prospects for faster growth and for convergence of incomes and living standards which global competition should bring:

“These trends are rooted in a common set of forces unleashed by rapid liberalization that make for greater inequality by favoring certain income groups over others.... Capital has gained in comparison with labor, and profit shares have risen everywhere.... In the North there has been a remarkable upward convergence of profits among the major industrial countries.... A new render class has emerged worldwide with the substantial expansion of international capital flows and the hike of interest rates.” (UNCTAD, 1997: 6.)

So, how then can this change in the dominant opinion about the incompatibility of free trade and free capital flows can be explained? Not only the empirical evidence but also the theoretical arguments for the gains from free trade and free movement of capital are extremely weak (to say the least), and there is no ground for the suggestion that the theoretical and practical objections of Keynes and others are no longer valid.¹⁰ On the contrary, evidence for the opposite is overwhelming. Calvo and Mendoza (1997: 27-8) conclude that “the global economy is inherently more volatile than a world economy with limited capital mobility,” and that this “global market volatility can induce large social costs.” Wyplosz (1998, 2) argues that “financial market liberalization is the best predictor of currency crises. This has been true in Latin America in the 1980s, in Europe in the early 1990s and in Asia in 1997.” On the social effects, research shows that “developing countries that liberalized and globalized were subject to larger swings in inequality than countries that did not.... In most cases, identifiable liberalizations are followed by rising inequality in wages” (Galbraith, Darity and Jiaqing, 1998: 6). One of the reasons for this, Felix (1998, 209) explains, is that “the liberalization of international capital movements has forced macroeconomic policy to react primarily to signals from the financial rather than from the job market.... Economists defending the position that liberalizing and globalizing financial markets has improved economic welfare now avert their eyes from the adverse real economic trends.” While Obstfeld (1998: 1) notes that “regional financial crises seem to have become more frequent, and the domestic impact of global financial developments has grown - to the alarm of many private citizens, elected officials, and even economists.”

Today’s heavy-handed promotion of the combination of free trade and free capital flows cannot be credited to its proven economic advantages. Based on written commentaries and analyses produced by large multinational banks and interviews with some of the major decision makers at these and other private sector financial institutions, Rude (1998: 4) shows for example that since the East Asian financial crisis, even participants in the financial markets tend to agree:

“The severity of the financial implosion that took place in East Asia has prompted many market participants to question the stability of today’s globalized financial system. Market participants have not only lost faith in the prospect of continued robust growth, therefore, but in the merits of financial market liberalization and globalization, indeed, in the viability of free, unregulated international capital markets as well.”

Like previous changes of monetary regimes, this shift has to be interpreted as the outcome of political changes. Eichengreen (1996: 42-3) explains that the gold standard could be maintained before World War I, because:

“... the insulation enjoyed by the monetary authorities allowed them to commit to the maintenance of gold convertibility... The extension of the franchise and the emergence of political parties representing the working classes raised the possibility of challenges to the single-minded priority the monetary authorities attached to convertibility. Rising consciousness of unemployment and of trade-offs between internal and external balance politicized monetary policy.”

Eichengreen builds his argument on one advanced by Karl Polanyi, who suggested that the extension of the institutions of the market over the course of the nineteenth century aroused a political reaction in the form of associations and lobbies that ultimately undermined the stability of the market system. He gave the gold standard a place of prominence among the institutions of *laissez faire* in response to which this reaction has taken place. In the same vein, the described changes (but also, e.g., the whole set-up of the EMU) can be interpreted as successful attempts to reduce democratic influence on the economy.

This time the main factor can be summarized as a global change in the relationship of forces between capital and labor since the end of the 1970s. The increased unemployment in the OECD countries since the end of the long postwar expansion and the disappearance of full employment as a policy goal; a number of setbacks and defeats of

national and socialist movements and projects in countries in the Third World; and the collapse of the former Soviet bloc in Eastern Europe, have all worked to the benefit of capital. This has resulted in a substantial increase in capital's share of income in all parts of the world, in the changes in the structure and functioning of the world economy and more generally in a political, social and economic agenda that is more and more dominated by the interests of capital. Bhagwati (1998) argues for example that the current myth of enormous benefits from free capital mobility has been created by "the Wall Street-Treasury complex, following in the footsteps of President Eisenhower, who had warned of the military industrial complex."

It should be noted that the debt crisis in Latin America as well as Africa of the 1980s was used to strangle import substitution strategies and to open up debtor countries to international capital: "In the terminology of Hyman Minsky, Volcker's monetary policy transformed Mexico into a Ponzi financial unit. This ushered in Mexico's debt crisis, and the subsequent demands by the U. S. government, the Bretton Woods institutions, and their private sector allies among the multinational banks and corporations that Mexico undertake a program of free-market restructuring. Two main tenets of the free-market restructuring program were for the state to sell a substantial share of its assets to the private sector and to substantially reduce regulations on capital inflows and foreign direct investment" (Pollin, 1998: 225-6). Note the similarity with the content of the agreements of Asian and African countries in crisis with the IMF.

So, just as at the beginning of the century, the interests of capital in the countries of the First World can be identified as the motor force behind the current global drive towards free trade and unrestricted capital movement. And this time with even more pernicious consequences: "Walter Wriston, ex-CEO of Citicorp, chortles that the globalized financial markets now hold macroeconomic policy in a tighter grip than under the gold standard" (Felix, 1998: 209). This break with the policies of the first three decades after World War II reflects a fundamental change in the relationship of forces between capital and labor. But today's promotion of free trade and free capital flows, two important economic arms of imperialism just as at the

beginning of the last century, is no evidence for the argument that contemporary globalization is just a repetition of this previous period of capitalism. The combination of free trade and free capital flows is a break with the Bretton Woods regime for the countries in the First World, while the orientation towards free trade and export-led growth constitutes an additional break (with the import substitution strategy) for countries in the Third World.

However, three important changes have to be taken into account. First, while Lenin and Hilferding already registered capital flows from imperialist countries to other imperialist countries, this interpenetrating of capitals was at the time a minor tendency. The main trend was the centralization of capital on a national level, “transforming thousands and thousands of scattered economic enterprises into a single national capitalist, and then into a world economy” (Lenin, 1917, 32). There was a general consensus that because the finance capitalist “increasingly concentrates his control over the whole national capital by means of domination of bank capital,” the struggle among nations representing their respective capitals “to incorporate parts of the world market into the national market, through a colonial policy which involves the annexation of foreign territories” (Hilferding, 1910, 225; cf 325), was intensifying.

But since that time the structure of the world economy has changed considerably, and inter-OECD investments have become much more important. Magdoff (1969, 62) noted that “the internationalization of capital among the giant firms is of a much higher order today than was the case fifty years ago when Lenin wrote his work on imperialism.” And Mandel (1972: 64) noticed already before the end of the postwar economic boom that the rise of new industries in the metropolitan countries and the fear of liberation movements in the Third World had led after the Second World War to “an abrupt change in the pattern of long-term capital export. In contrast to the period from 1880-1940, capital now no longer mainly moved from the metropolitan countries to the underdeveloped ones. Instead, it chiefly went from some metropolitan countries to other imperialist countries.” This trend has only increased in the decades since then, as can be seen, among other factors, from the

multiplication of regional trade blocs and customs unions since the beginning of the 1980s, most spectacularly the EU. Such developments are an important reason why critics of globalization argue that regionalization (or triadization) is a better term to characterize the dominant trend in the world economy, because it expresses where the biggest shares of trade and capital flows are found (see, e.g., Kleinknecht and Ter Wengel, 1998; Ruigrok and van Tulder, 1995; Went, 2000b).

Instead of the national cartels that competed to divide world markets at the beginning of the century, we now see all kinds of international investments, alliances and strategies by multinationals that are competing and cooperating in both developed and developing countries. At the same time, the number of international organizations and fora to coordinate and regulate economic policies has increased dramatically. In these organizations the big countries work together, among others to open up developing countries for trade and capital. None of this means that there is no competition any more among imperialist countries, but that such rivalries are fought out economically rather than militarily. This can also be seen from the fact that the USA, the main imperialist country in the world, is no longer seriously preparing for a possible war with Japan or Europe (cf. Achcar, 1998).

Indeed, the collapse of the former Soviet bloc facilitated this change, but steps in this direction were already taken after the Second World War, as Magdoff (1969, 40-1) explains: While the imperialist powers did not give up the colonies gladly or easily, the main purposes of colonialism had been achieved prior to the new political independence: the colonies had been intertwined with the world capitalist markets; their resources, economies, and societies had become adapted to the needs of the metropolitan centers. The current task of imperialism now became to hold on to as many of the economic and financial benefits of these former colonies as possible. And this of course meant continuation of the economic and financial dependency of these countries on the metropolitan centers. Neither in the period right after the Russian Revolution nor in our own day does the central objective of extending and/or defending the frontiers of

imperialism signify the elimination of rivalries among the imperialist powers. However, since the end of the Second World War this central objective has dominated the scene because of the increasing threat to the imperialist system and because of the greater unity among the powers imposed by United States leadership.

A second difference, connected to the previous one, concerns the role and structure of finance capital. The national bank-dominated financial systems that Hilferding and Lenin saw in their time have made way for a much more integrated worldwide financial system, where global norms for profitability are set.¹⁷ Because of the disappearance of capital controls, globalized financial markets increasingly discipline investors and governments. The space for national differences is being undermined more and more. As Plender (1997: 97) puts it:

“In a world where exchange controls have been abolished, the German and Japanese cross-subsidies from depositors and investors to industry are unlikely in future to be sustainable. At the risk of some slight oversimplification, if a country tries artificially to reduce the financial returns available to depositors and investors, its exchange rate will collapse in the long run as domestic and international capital pours out in pursuit of higher returns elsewhere. Because governments and central banks will act to forestall the inflationary consequences of a collapsing exchange rate, they will, in normal circumstances, raise interest rates, thereby bringing their industries’ cost of money back into line with the international norm.”

But this difference is a major reason why one could argue that capitalism has entered a different phase since the beginning of the 1980s. One of the more prolific researchers defending this position is the French Marxist economist Francois Chesnais (1997: 62-3):

‘For the time being I will designate this ... by the somewhat complicated name of “global accumulation regime dominated by finance,” or “financialized global accumulation regime,” stressing

its very marked render characteristics.... Born from the impasses to which the “thirty glorious years” of prolonged accumulation led... this mode is based on transformations of the “wage relation” and a very sharp increase in the rate of exploitation ... but its functioning is governed mainly by operations and choices of forms of finance capital that are more concentrated and centralized than in any previous period of capitalism’.

There is a third difference of a political character. Dominant countries no longer colonize parts of the world with military force, but promote the combination of democracy and a market economy. In fact, according to Robinson (1996a), it is polyarchy rather than democracy that is being established: “Promoting polyarchy and promoting neoliberal restructuring has become a singular process in U. S. foreign policy.” Robinson explains that “authoritarianism increasingly proved to be an untenable mode of domination and an unpredictable means of preserving asymmetries within and among nations as globalizing processes began to assert themselves.” He forcefully argues that this is only a shift in the means and not in the ends of policy, which are still “defense of the privileges of the Northern elites and their Southern counterparts in a highly stratified world system.”

Nevertheless, “What U. S. policymakers mean by ‘democracy promotion’ is the promotion of polyarchy, a concept which developed in U. S. academic circles closely tied to the policymaking community in the United States in the post-World War II years.... Polyarchy refers to a system in which a small group actually rules and mass participation in decision-making is confined to leadership choice in elections carefully managed by competing elites. . . . Democracy is limited to the political sphere, and revolves around process, method and procedure in the selection of `leaders. This is an institutional definition of democracy. A caveat must be stressed. U. S. preference for polyarchy is a general guideline of post-Cold War foreign policy and not a universal prescription. Policymakers often assess that authoritarian arrangements are best left in place in instances where the establishment of polyarchic

systems is an unrealistic, high-risk, or unnecessary undertaking” (Robinson, 1996a, 49; cf. 112).

Substance

In “postcolonial” African countries, although the colonially inherited public governance system largely functioned as an instrument of the state often under authoritarian regimes, most of these countries adopted reforms to expand the public sector and strengthen its role to enhance socioeconomic progress, to ensure people’s entitlement to basic needs and services, and ironically, to increase public participation through various associations or organizations. However, these state-centric trends of reforms were significantly reoriented (reversed) during the recent decades dominated by the rise of neoliberal anti-state and anti-bureaucratic ethos and adoption of concomitant businesslike policies and reforms based on pro-market assumptions or principles. These recent market-driven policies and reforms—e.g. privatization, deregulation, liberalization, downsizing, outsourcing, de-subsidization, disaggregation, performance-orientation, and customer choice—have been encapsulated largely as New Public Management (NPM), followed by its revisionist (post-NPM) frameworks like shared governance, good governance, digital-era governance, and so on. Originating from advanced capitalist nations, the neoliberal NPM model increasingly emerged as almost a global model despite its cross-national divergence and convergence, especially in Africa. While these neoliberal reforms in public governance have been pursued in the name of greater efficiency, transparency, participation, and accountability (prescribed ingredients of good governance), the actual implications have often been anti-democratic for many African nations where such businesslike reforms have not only eroded citizens’ social rights due to the shrinking public employment and welfare services, but also diminished people’s political rights due to the de-recognition of workers’ privileges, fragmentation of public interest into individualistic consumer choices, replacement of public opinion by expert opinion in assessing performance, and so on. This book aims to explore this paradoxical consequence of globalizing the neoliberal

model of “democratic governance” and its adoption (by imposition or imitation) in African nations, especially with regard to the gaps between the model’s declared mission to realize democratic good governance on the one hand, and its actual outcome such as the loss of people’s democratic rights and entitlements on the other.

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Chapter 2

At The Core of Neoliberal Ideology

Overview

Neoliberalism is the ideology and practice of the dominant classes of the developed and developing worlds alike. The fantasy of free trade organizes enjoyment through the promise that everyone will win, uses losses to reconfirm the necessity of strengthening the system so that everyone will win, and perpetually displaces the thieves of enjoyment throughout the system as warnings, exceptions, and contingencies. In addition to relying on the fantasy of free trade, neoliberal ideology also functions through the production of imaginary rather than symbolic identities. These identities serve not as means of internalized discipline but of external control. Thus a key difference between Keynesianism (the economic theory and practice of the welfare state) and neoliberalism is the production of subject positions available for redeployment. The disciplined worker and consumer-citizen of the social welfare state are reformatted under neoliberal ideology as the shopaholic and incorrigible criminal fooled by the pronouncements of mirage democracy. The result is that the neoliberal state cannot focus on full employment, economic growth and the welfare of its citizens, and that state power should not be freely deployed alongside of, or if necessary, intervening in or substituting for market processes to achieve these ends as demanded by the essence of democratic governance.

Introduction

In the mid-1980s, a revolution in international economic affairs occurred as multinational firms (MNCs) and foreign direct investment (FDI) began to have a profound impact on almost every aspect of the world economy. In the 1960s and 1970s, increased international trade transformed international economic affairs to effect important changes in the global system. Subsequently, in the 1980s, the overseas

expansion of multinational firms integrated national economies more and more completely. Moreover, whereas the term “multinational” had been synonymous with the expansion of American firms, in the 1980s firms of other nationalities joined the ranks of multinationals. Most importantly, MNCs led the way in internationalization of both services and manufacturing.

The most important change, of course, has been the end of the Cold War and of the Soviet threat to the United States and its European and Japanese allies. Throughout most of the last half of the twentieth century, the Cold War and its alliance structures provided the framework within which the world economy functioned. The United States and its major allies generally subordinated potential economic conflicts to the need to maintain political and security cooperation. Emphasis on security interests and alliance cohesion provided the political glue that held the world economy together and facilitated compromises of important national differences over economic issues. With the end of the Cold War, American leadership and the close economic cooperation among the capitalist powers waned. Simultaneously, the market-oriented world grew much larger as formerly communist and Third World countries became more willing to participate in the market system; this has been exemplified by the much more active role taken by the less developed countries (LDCs) in the World Trade Organization (WTO). While this development is to be welcomed, it has made the task of managing the global economic system more daunting.

Economic globalization has entailed a few key developments in trade, finance, and foreign direct investment by multinational corporations. International trade has grown more rapidly than the global economic output. In addition to the great expansion of merchandise trade (goods), trade in services (banking, information, etc.) has also significantly increased. With the decreasing cost of transportation, more and more goods are becoming “tradeables.” With the immense expansion of world trade, international competition has greatly increased. Although consumers and export sectors within individual nations benefit from increased openness, many businesses find themselves competing against foreign firms that have improved

their efficiency. During the 1980s and 1990s, trade competition became even more intense as a growing number of industrializing economies in East Asia and elsewhere shifted from an import substitution to an export-led growth strategy. Nevertheless, the major competitors for almost all American firms remain other American firms.

Samir Amin (2006) confirms this American protectionism when he points out that it would be naïve to think that the dominant imperialist powers will stand by and watch a country the size of China become an equal partner. As a case in point, when China thought it was in a position to purchase a multinational oil company in order to integrate further into liberal globalization and ensure provision for itself in this context, the United States, in violation of all its principles, which only doctrinaires of liberalism believe to be those that govern the reality of economic relations, overturned the attempt through a brutal political intervention. Clashes between China and the imperialist powers in all areas concerning access to the planet's natural resources and control of modern technologies and industrial property rights are thus inevitably becoming violent, especially as the militarization of Africa and attendant wanton wars like the one in Libya demonstrates. Undoubtedly, this is destined to be even more severe than the conflicts which will also emerge as China gradually makes its mark on international markets of commonplace products.

Underlying the expansion of global trade has been a number of developments. Since World War II, trade barriers have declined significantly due to successive rounds of trade negotiations. During the last half of the twentieth century average tariff levels of the United States and other industrialized countries dropped from about 40 percent to only 6 percent, and barriers to trade in services have also been lowered. In addition, from the late 1970s onward, deregulation and privatization further opened national economies to imports. Technological advances in communications and transportation reduced costs and thus significantly encouraged trade expansion. Taking advantage of these economic and technological changes, more and more businesses have participated in international markets. Nevertheless, despite these developments, most trade takes place

among the three advanced industrialized economies--the United States, Western Europe, and Japan, plus a few emerging markets in East Asia, Latin America, and elsewhere. Most of the less developed world is excluded, except as exporters of food and raw materials. It is estimated, for example, that Africa south of the Sahara accounted for only about 1 percent of total world trade in the 1990s.

Since the mid-1970s, financial deregulation and the creation of new financial instruments, such as derivatives, and technological advances in communications have contributed to a much more highly integrated international financial system. The volume of foreign exchange trading (buying and selling national currencies) in the late 1990s reached approximately \$1.5 trillion per day, an eightfold increase since 1986; by contrast, the global volume of exports (goods and services) for all of 1997 was \$6.6 trillion, or \$25 billion per day! In addition, the amount of investment capital seeking higher returns has grown enormously; by the mid-1990s, mutual funds, pension funds and the like totaled \$20 trillion, ten times the 1980 figure. Moreover, the significance of these huge investments is greatly magnified by the fact that a large portion of foreign investments is leveraged; that is, they are investments made with borrowed funds. Finally, derivatives or repackaged securities and other financial assets play an important role in international finance. Valued at \$360 trillion (larger than the value of the entire global economy), they have contributed to the complexity and the instability of international finance. It is obvious that international finance has a profound impact on the global economy.

This financial revolution has linked national economies much more closely to one another and increased the capital that could be made available for developing countries. As many of these financial flows are short-term, highly volatile, and speculative, international finance has become the most unstable aspect of the global capitalist economy. The immense scale, velocity, and speculative nature of financial movements across national borders have made governments more vulnerable to sudden shifts in these movements. Governments can therefore easily fall prey to currency speculators, as happened in the 1992 European financial crisis, which caused Great Britain to withdraw from the European Exchange Rate Mechanism, and in the 1994-95 punishing

collapse of the Mexican peso, as well as in the devastating East Asian financial crisis in the late 1990s. Whereas, for some, financial globalization exemplifies the healthy and beneficial triumph of global capitalism, for others the international financial system is “out of control” and must be better regulated. Either way, international finance is the one area to which the term “globalization” is most appropriately applied.

The term “globalization” came into popular usage in the second half of the 1980s in connection with the huge surge of foreign direct investment (FDI) by multinational corporations. MNCs and FDI have been around for several centuries in the form of the East India Company and other “merchant adventurers.” In the early postwar decades, most FDI was made by American firms, and the United States was host to only a small amount of FDI from non-American firms. Then, in the 1980s, FDI expanded significantly and much more rapidly than world trade and global economic output. In the early post-war decades, Japanese, West European, and other nationalities became major investors and the United States became both the world’s largest home and host economy. As a consequence of these developments, FDI outflows from the major industrialized countries to the industrializing countries rose to approximately 15 percent annually. The largest fraction of FDI, however, goes to the industrialized countries, especially the United States and those in Western Europe. The cumulative value of FDI amounts to hundreds of billions of dollars. The greatest portion of this investment has been in services and especially in high-tech industries such as automobiles and information technology. Information, in fact, has itself become a “tradeable,” and this raises such new issues in international commerce as the protection of intellectual property rights and market access for service industries. In combination with increased trade and financial flows, the increasing importance of MNCs has significantly transformed the international economy.

Although the end of the Cold War provided the necessary political condition for the creation of a truly global economy, it is economic, political, and technological developments that have been the driving force behind economic globalization. Novel technologies in

transportation have caused the costs of transportation, especially transoceanic travel, to fall greatly, thus opening the possibility of a global trading system. In addition, the computer and advances in telecommunications have greatly increased global financial flows; these developments have been extremely important in enabling multinational firms to pursue global economic strategies and operations. The compression of time and space resulting from these technological changes has significantly reduced the costs of international commerce. Globalization has also been produced by international economic cooperation and new economic policies. Under American leadership, both the industrialized and industrializing economies have taken a number of initiatives to lower trade and investment barriers. Eight rounds of multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT), the principal forum for trade liberalization, have significantly decreased trade barriers. In addition, more and more nations have been pursuing neoliberal economic policies such as deregulation and privatization. These developments have resulted in an increasingly market-oriented global economy.

A profound shift is therefore taking place from a state-dominated to a market-dominated international economy. Humanity is moving rapidly toward a politically borderless world. The collapse of the Soviet command economy, the failure of the Third World's import-substitution strategy, and the outstanding economic success of the American economy in the 1990s have encouraged acceptance of unrestricted markets as the solution to the economic ills of modern society. As deregulation and other reforms have reduced the role of the state in the economy, markets have become the most important mechanism determining both domestic and international economic and even political affairs. In a highly integrated global economy, the African nation-state, according to this interpretation, has become an anachronism and is in retreat. Many also believe that the decline of the state is leading to an open and truly global capitalist economy characterized by unrestricted trade, financial flows, and the international activities of multinational firms.

The decisive new advantages that define the dominating postures of the centers of these market-driven economies are no longer made

up of the monopoly of industry. In the past the centers-peripheries contradiction was almost synonymous with industrialized/non-industrialized countries. Today, they are defined by the control of technologies, flow of funds, access to natural resources, information, and weapons of mass destruction. By these means, the imperialist centers effectively control the industries that have relocated to emerging peripheries—the real peripheries of the future. This ideological thrust leaves no space for Africa other than being raped of its natural resources through either war or peace.

Although most economists and many others welcome this development, critics emphasize the “high costs” of economic globalization, including growing income inequality both among and within nations, high chronic levels of unemployment in Western Europe and elsewhere, and, most of all, environmental degradation, widespread exploitation, and the devastating consequences for national economies wrought by unregulated international financial flows. These critics charge that national societies are being integrated into a global economic system and are buffeted by economic and technological forces over which they have little or no control. Africa is a clear victim of this arrangement. That is why economists view global economic problems as proof that the costs of globalization are much greater than its benefits. Foreseeing a world characterized by intense economic conflict at both the domestic and international levels, and believing that an open world economy will inevitably produce more losers than winners, it is obvious that unleashing market and other economic forces has caused an intense struggle among individual nations, economic classes, and powerful groups. Many assert that what former German chancellor Helmut Schmidt called “the struggle for the world product” could result in competing regional blocs dominated by one or another of the major economic powers.

The idea that globalization is responsible for most of African and the world’s economic, political and other problems is either patently false or greatly exaggerated. In fact, other factors such as technological developments and imprudent national policies are much more important than globalization as causes of many, if not most, of the problems for which globalization is held responsible. Much of the

blame for Africa's endemic economic stagnation and spiral of violence belong to generations of opportunistic and venal African leaders, who have done little to develop their societies and emancipate their peoples. But the expansion of market-driven corporate dominance has accentuated the steady descent into near economic strangulation and political chaos. Transnational corporations (TNCs) have acted as economic predators in Africa, gobbling up national resources, distorting national economic policies, exploiting and changing labor relations, committing environmental despoliation, violating sovereignties, and manipulating governments and the media. In order to ensure uninterrupted access to resources, TNCs have also supported repressive African leaders, warlords, and guerrilla fighters, thus serving as catalysts for lethal conflict and impeding prospects for development and peace.

Unfortunately, misunderstandings regarding globalization and its effects have contributed to growing disillusionment with borders open to trade and investment and have led to the belief that globalization has had a very negative impact on workers, the environment, and less developed African countries. According to an American poll taken in April 1999, 52 percent of the respondents had negative views regarding globalization. Yet, even though globalization is an important feature of the international economy that has changed many aspects of the subject of international political economy, the fact is that globalization is not as pervasive, extensive, or significant as many would have us believe.

Most national economies are still mainly self-contained rather than globalized; globalization is also restricted to a limited, albeit rapidly increasing, number of economic sectors in Africa. Moreover, globalization is largely restricted to the triad of industrialized countries--the United States, Western Europe, and, to a much lesser extent, Japan--and to the emerging markets of East Asia. Most importantly, many of the attacks on globalization by its critics are misplaced; many, if not most, of its "evils" are really due to changes that have little or nothing to do with globalization. This assertion is borne out by the pandemic corruption and mismanagement of African economies by the continent's political vampires.

After decades of economic mismanagement and political gangsterism, most African societies are in terrible shape. African unemployment rates are at crisis levels, with over 65% of college graduates out of jobs. Because manufacturing is at a low ebb, unskilled workers suffer a similar fate. Wages are also low. According to the United Nations Development Report, the average unskilled worker earns about 55 cents daily, while the average white-collar employee brings home a monthly check of between \$50 and \$120. Many African societies are characterized by minimal opportunities for education and self-development, collapsed infrastructure, and a debilitating debt burden.

Incapable of resolving these plaguing problems, many African governments have instead embraced collaboration with TNCs and other foreign investors. Lacking the technological capacity to harness massive reserves of oil, gold, diamonds, and cobalt, these leaders grant licenses to foreign corporations to operate in their domain, and then appropriate the resulting revenue to maintain themselves in power. For example, both the late General Sani Abacha of Nigeria and the late Mobutu Sese Seko of Zaire looted hundreds of millions of dollars in government funds derived from corporate revenue, stashed the money in private foreign accounts, and used it for political patronage and to silence political opponents at domestic level. In turn, these authoritarian governments have stifled economic growth.

Frequent changes in leadership through either coups d'état like in Mali or electoral neo-authoritarianism in Nigeria have made it impracticable to implement development plans. Each new government, if any, comes in with a new set of policies that often undermines earlier progress by previous governments. Also, many African leaders have used revenue to reward political pals with bogus contracts for white-elephant projects that contribute nothing to development. In the late 1990s, for example, President Daniel Arap Moi of Kenya built an airport, which handles almost no traffic, in his own hometown of Eldoret. And of course, money used as handouts to members of the ruling elite and to fight political opposition was money not spent on development. More national examples abound in the continent.

The end of the Cold War and the growth of economic globalization coincided with a new industrial revolution based on the computer and the rise of the information or Internet economy. Technological developments are transforming almost every aspect of economic, political, and social affairs as computing power provides an impetus to the world economy that may prove as significant as those previously produced by steam power, electric power, and oil power. The economics profession, however, has been deeply divided about whether or not computing power represents a technological revolution on the same scale as these earlier advances. Although the computer appears to have accelerated the rate of economic and productivity growth, it is still too early to know whether or not its ultimate impact will affect the overall economy on a scale at all equivalent to that produced by the dynamo.

A growing number of economists, however, believe that computers have an important impact not only on productivity but also on economic affairs in general. For example, some economists believe that the organization of and the ways in which national economies function are experiencing major changes in response to the computer and the Internet. Although it is still much too early to gauge the full impact of the computer on the economy, it is certain that the computer and the information economy are significantly changing many aspects of economic affairs. Most importantly, in the industrialized countries, they have accelerated the shift from manufacturing to services (financial, software, retailing, etc.). This pervasive economic restructuring of the industrialized economies is economically costly and politically difficult.

During the last decades of the twentieth century, there was a significant shift in the distribution of world industry away from the older industrial economies—the United States, Western Europe, and Japan—toward Pacific Asia, Latin America, and other rapidly industrializing economies. Although the United States and the other industrialized economies still possess a preponderant share of global wealth and industry, they have declined in relative (not absolute) terms, while the industrializing economies, especially China, have gained economic importance. Before the 1997 financial crisis, which began in

Thailand and eventually plunged East Asia into political and economic turmoil, Pacific Asia's economic success had been extremely impressive; many of these economies achieved average annual growth rates of 6 to 8 percent. And despite the financial crisis, such economic "fundamentals" as high savings rates and excellent workforces support the belief that these emerging markets will continue to be important actors in the global economy.

Economic regionalism has spread in response to these political, economic, and technological developments. Compared to the earlier regional movement of the 1950s and 1960s (the European Economic Community is the only surviving example of that movement), the new regionalism has much greater significance for the global economy. The movement at the beginning of the twenty-first century is nearly universal; the major economies, with a few exceptions that include China, Japan, and Russia, are members of a formal regional arrangement. Regionalism at the turn of the twenty-first century entails increased regionalization of foreign investment, production, and other economic activities.

Although there is no single explanation for this development, every regional arrangement represents cooperative efforts of individual states to promote both their national and their collective economic and political objectives. Economic regionalism is an important response by nation-states to shared political problems and to a highly interdependent, competitive global economy. As the international economy has become more closely integrated, regional groupings of states have increased their cooperation in order to strengthen their autonomy, improve their bargaining positions, and promote other political/economic objectives. Regionalization is not an alternative to the nation-state, as some believe, but rather embodies the efforts of individual states to collectively promote their vital national interests and ambitions.

Regional economic integration in Africa has been a long-standing goal in discussions about economic development, be it in the Economic Community of West African States, Southern African Economic Community or Economic Community of Central African States. The on-going global financial and economic crisis has brought

renewed attention to the role that regional integration could have played in Africa's ability to withstand global shocks. However there are as many different notions of economic integration as there are protagonists in Africa. These vary from at one extreme, the dominantly open regionalism promoted within neo-liberal ideology which sees regional integration as a means for the "smoother and gradual integration" of Africa into the global economy; and at the other extreme, the contrasting notion of regional integration as the means through which Africa can disengage from globalization. In between these, are minimal notions of regional integration which aim to enable Africa engage with the global economy on its own terms.

These developments have made the governance of the global economy a pressing issue. Effective and legitimate governance requires agreement on the purpose of the international economy. During the Cold War, the purpose of the world economy was primarily to strengthen the economies of the anti-Soviet alliance and solidify the political unity of the United States and its allies; this goal frequently necessitated acceptance of trade discrimination and other illiberal policies. Today, many Americans and others assert that the purpose of governance should be to promote unrestricted free and open markets. This governance should be guided by the policy prescriptions of neoclassical economics and be based on market principles. Free trade, freedom of capital movements, and unrestricted access by multinational firms to markets around the globe should be the goals of international governance. With the triumph of the market, economic logic and the relative efficiencies of national economies should determine the distribution of economic activities and wealth (and, of course, of power) around the world. Critics of globalization, on the other hand, challenge this emphasis on the importance of free trade and open markets.

Despite the growing importance of the market, historical experience indicates that the purpose of economic activities is ultimately determined not only by markets and the prescriptions of technical economics, but also (either explicitly or implicitly) by the norms, values, and interests of the social and political systems in which economic activities are embedded. Although economic factors will play

an important role in determining the character of the global economy, political factors will be of equal, and perhaps greater, importance. The nature of the global economy will be strongly affected by the security and political interests of, and the relations among, the dominant economic powers, including the United States, Western Europe, Japan, China, and Russia. It is highly unlikely that these powers will leave the distribution of the global economic product and the impact of economic forces on their national interests entirely up to the market. Both economic efficiency and national ambitions are driving forces in the global economy of the twenty-first century. And Africa is incapable of harnessing these global economic forces to its advantage.

Neoliberalism as Ruling Class Ideology

Neoliberalism is a new form of corporatism based on the ideology of market fundamentalism, dominance of finance and cult of rich (“greed is good”) instead of ideology on racial or national superiority typical for classic corporatism. Actually some elements of the idea of “national superiority” were preserved in a form superiority of “corporate management” and top speculators over other people. In a way, neoliberalism considers bankers and corporations top management to be a new Arian race.

As it relies on financial mechanisms and banks instead of brute force of subduing people the practice of neoliberalism outside of G7 is also called neocolonialism. Neoliberal practice within G7 is called casino capitalism, an apt term that underscore the role of finance and stock exchange in this new social order. Neoliberalism is an example of emergence of ideologies not from their persuasive power or inner logic, but from the private interests of ruling elite. Political pressure and money created the situation in which intellectually bankrupt ideas could prevail. Historically neoliberalism came as an ideology that displaced Marxism, not because it was a “better ideology”, but because Marxism self-destruct due to two major problems:

- **Inability of “socialist” countries like the USSR to match or exceed the standard of living of major Western countries.** Marxism promised that socialism as a more “progressive” social

formation should be able to secure higher standard of living for the people, than capitalism. This promise proved to be false at least in comparison with standard of living in Western Europe.

- **Intellectual collapse of the idea of proletariat as a new dominant social class.** This idea first suffered a mortal blow from the “Elite and then from the evolution of trade union in major western countries into hierarchical subservient to management organizations with its own elite.

Neoliberalism is not a collection of theories meant to improve the economy. Instead, it should be understood as a class strategy designed to redistribute wealth upward toward an increasingly narrow fraction of population (top 1%). It is Marxist idea of “class struggle” turn to its head and converted into pervert “revolt of the elite”, unsatisfied with the peace of the pie it is getting from the society.

In the 1960s when African states gain independence, many leaders felt that they cannot celebrate their victory if they continue using the economic-political system that has been established by colonizers such as capitalism. They perceived capitalism as the bearer of social inequalities, and ignorance that exists within societies. They wanted a unique economic and political system with no resemblance of outside influence.

African Socialism was then a unique political ideology and identity of Africa. Julius Nyerere was one of the leading proponents of African socialism “African traditional way of life” (Hyden, 1980: 200). African socialism as an ideology has its own successes and also its own criticism. Therefore, this essay will critically evaluate African socialism with the reference to Ujamaa policies of Tanzania. Tanzania for many years after 1967 has been referred to as a socialist country due to its commitment to socialist ideology and has put African socialism into practice. African socialism was a very good ideology for development in theory. Thus, in practice it failed to deliver its objectives because of mismanagement associated with the lack of proper planning, lack of understanding and acceptance of some policies of African socialism, bureaucracy created contradictions, problems and poverty, inequality, non-democratic, dependency increased. African socialism is the ideology with the belief of sharing economic resources in African

traditional way. African socialism can be considered as the response to the colonization. This means that African socialism was the condemnation to colonialism and embracement of African traditional life with the basis of extended family. Main features of African socialism were to sustain political democracy and mutual responsibility to end poverty, inequalities, create a classless, egalitarian and self-relied, united and developed society and unity. This African ideological showcase was ambushed and smashed.

The endless rhetorical vamping in Africa today about “mondialisation”, “civilizational”, “epochal”, “global” changes and “world-historical” century-long projections are at best based on anecdotal selective data. The practitioners of this style of rhetoric are what we might call ‘ideological charlatans’. Most of their sweeping rhetoric is largely inspirational to give its gullible African readers and listeners a sense that they are witness to or participants in a grand all-inclusive process, which, if they follow the precepts of the ideological charlatans, they are capable of understanding and engaging. The mighty images rolling off the flapping tongues of the charlatans demolish all contingencies, all time and place-bound IMF Structural Adjustment conditionalities because, Africans are assured by the charlatans, these contradictions, exceptions, counter-trends are unimportant faced with the mystical ‘Great Historical Perspective’.

It must be emphasized that long-term, large-scale changes across continents seldom take place without processes of cumulative, heterodox changes at the level of class relations at the local, regional, and national level. The spread of new ideas, organizations, struggles and policies across national boundaries is similarly not merely a process of a ‘communication’ or a ‘technological revolution’ but the consequence of emerging political organizations which already share basic outlooks and interests with the ‘lead actors’.

“Globalization” which indeed is imperialist expansion, is not merely the “spread” of an ideology and its imposition by force or persuasion. There is a prior condition the existence of political and bureaucratic elites and important sectors of the ruling class who have a common political and economic interest and capacity to articulate the ideology and implement pro-imperial policies in Africa.

The link between the ‘global’ or imperial power and its control of national economies, natural and financial resources, markets and treasuries is through the ascendancy of national political-economic configurations of power. The basic ‘link’ in the imperial chain what now is mistakenly called “globalization” is based fundamentally on the outcome of class struggle. Without a successful outcome to the class struggle in Africa, there is no political elite or dominant class capable of linking to the imperial drive. Without a national ‘link’ the imperial powers cannot expand, or “globalize” the world. Unable to globalize or expand, the imperial powers must intervene directly, that is, militarily to shift the balance in the national class struggle, via invasions, coups and recolonization.

Historically, there was simple apologetics in Africa. Powerful voices had emerged from the popular struggles of the late 1960s and early 1970s challenging the legitimacy of capitalism. The mainstream defense against such voices had been that Keynesian state intervention had proved capitalism could satisfy people’s needs. Now that claim fell apart in the face of economic crisis. The argument had to be turned upside down. State intervention was now presented as the problem rather than the solution. This was especially pleasing for those who dealt in finance rather than production, because under the new orthodoxy any way of making money was necessarily beneficial. Neoliberalism saw sitting at home receiving interest or dividend payments as an incentive to production, and therefore a valuable social activity. As Nikolai Bukharin (1927) had pointed out long before, it was “the economic theory of the leisure class”.

But more than apologetics was involved. There was a sense of desperation within capitalist circles in the mid-1970s. The first signs of crisis in their system coincided with growing assertiveness among workers. There had already been attempts to counter this in the late 1960s and early 1970s. Wage controls were imposed in Britain in 1966-70, 1971-2, 1973-4 and 1975-9; and in the US in 1971. Left wing supporters of Keynesianism tend to forget that these were an integral part of the post-war orthodoxy. But wage controls were not effective. They might work for a year or two, but they built up resentment

among workers, which encouraged militancy even where it had hardly existed before, and they eventually fell apart amid waves of strikes.

Keynesianism as an economic practice, rather than an ideology, was not put to the test until the first serious economic crisis in 40 years erupted in the mid-1970s—and it proved incapable of dealing with it. Capitalists were faced with a combination of recession and rising prices known as “stagflation”. The Keynesians were at a loss. As one, Francis Cripps, put it in the *Guardian* of 26 September 1983, they suddenly realized that “nobody really understands how the modern economy works. Nobody really knows why we had so much growth in the post-war world”. Within three or four years Keynesianism had been replaced as the orthodoxy by reborn versions of the ideas it had pushed aside four decades earlier. This was not a question of states somehow coming to accept a wrong set of ideas:

There was a structural crisis of capitalism. That is, the policies, practices and institutions that had been serving well capitalism’s goal of capital accumulation ceased to do so. More narrowly, one can say that capitalism abandoned the Keynesian compromise in the face of a falling rate of profit, under the belief that neoliberalism could improve its profit and accumulation performance (Campbell, 2005:189).

In its first phase this rebirth of old ideas took the form of “monetarism”. Milton Friedman, the central figure in monetarism, claimed that any problems with the free market system were caused by governments’ inept control of the supply of money. But this version of free market economics proved unworkable in less than a decade, and the emphasis shifted to versions like those of von Hayek and Robert Lucas, which were even more critical of state intervention than Friedman’s version.

The reborn free market approaches presented by Friedman and Hayek seemed to offer a way out. They claimed that the economy would resolve its own problems if it were freed from “distortions” to the market – whether these came from state intervention or from trade union interference with the “flexibility” of the labor market. Free trade would prevent national monopolies distorting prices, and unemployment would settle at the “natural rate” necessary to prevent wages eating into profits.

Ruling class ideologies are rarely just lies cynically spread in order to win the acquiescence of the ruled. They are sets of beliefs that give the ruling class a sense of its own importance, sanctify its rule in its own eyes as well as in the eyes of others and provide it with confidence that it can deal with any apparent flaws in its own system. Keynesianism fulfilled this role during the post-war decades in the advanced Western countries, as did Stalinism in the “Communist” states and “developmentalism” in Latin America, as well as the post-colonial states of Africa and Asia. But it became increasingly clear from the mid-1970s onwards that state intervention could not prevent economic crises in any of the world’s regions. Neoliberalism succeeded in filling the ideological gap (Harman, 1977). As such it appealed not just to finance capital, but to productive capital as well.

Imperial ‘hegemony’ in Africa has been established over the ruling class and its state apparatus not simply through ideological persuasion as most so-called ‘Neo-Gramscians’ argue, but through shared economic interests and “common enemies”. Without the economic rewards and privileged access to the public treasury and financial loans, it is questionable how effective imperial ideology would be in influencing ruling class behavior. Given the historical violence and exploitation induced by imperial intervention and the concentration of wealth in the hands of the imperial collaborators, imperial ideology does not exercise hegemony over the masses of the people. In every instance the introduction of imperial policies privatizations, structural adjustment policies, “free markets” is rejected by the great majorities of the populace. The exercise of imperial power is not therefore based on “hegemony” but rather on ‘force’ and ‘political-organizational’ control and manipulation by the local imperial-linked political-economic elites.

Neoliberalism as a Strategy of Class Struggle

To be frank, neoliberalism is not a collection of theories meant to improve the economy. Instead, it should be understood as a strategy of “class struggle” designed to redistribute wealth upward toward an increasingly narrow fraction of the population (top 1%). This is a kind of revolt of the elite against common people, instead of revolt of

proletarians against capitalists. From the very beginning neoliberalism was a project to restore the class power of corporations and first of all financial sector (“*financial revanchism*”) undermined by New Deal and similar redistributive postwar state capitalism policies that hurt financial elite.

In other words, neoliberalism professes open and acute hostility to “lower classes”. That hate like hate in general paradoxically gives neoliberalism a force. Also, as Irish novelist Elizabeth Bowen quipped: “Some people are molded by their admirations, others by their hostilities.” And this Übermensch quality of neoliberalism attracts young people in the same way they were attracted to national socialism. While previously excessive greed was morally condemned, neoliberalism employed a slick trick of adopting “reverse”, Nietzschean Übermensch morality in bastardized form propagated in the USA.

This neoliberal transformation of the society into top 1% (or, more correctly, 0.01%) “*have and have more*” (G.W.Bush) and “the rest”(moochers) undermined and exploited by financial oligarchy with near complete indifference to what happens with the most unprotected lower quintile of the population. Hence, the neoliberal reformers don’t care about failures and contradictions of the economic system which drive the majority of country population into abject poverty. They care rather about what their action such a blowing out financial bubble like in the USA in 2008 which definitely could move national economics toward the disaster (“off the cliff”). They have somewhat childish, simplistic “greed is good” mentality: they just want to have their (as large as possible) piece of economic pie fast and everything else be damned. To that extent they have the mentality of criminals and neoliberalism is a highly criminogenic creed, but it tries to conceal the racket and plunder it inflicts on the societies under dense smoke screen of “free market” *Newspeak*.

Accumulation by dispossession

Capitalism has been spurred on by dispossession. Every accumulation of capital is not free, but a debt to that which has been

dispossessed. Capital accumulation is thus a blood debt. It is a debt that has been incurred through colonialism and resource exploitation. Even with postcolonialism, neoliberal structural adjustment has ensured that exploitation be institutionalized in Africa. The state is merely the shoeshine boy for the corporations. Democracy is a mirage, a farce – it is a ballot box dream where Africans think they have some choice, some power. But, Africans have sold out. Sovereignty has been sold to state power.

David Harvey's account of neoliberalism focuses on features that, he claims, lead to a new model of capitalist accumulation – accumulation by “dispossession”, “primitive accumulation”, and the absorption by capital of “non-capitalist” sectors and societies. Accumulation by dispossession is, he argues, “the dominant form of accumulating relative to expanded reproduction” (2003: 153) and takes a wide range of forms:

- “The privatization of land and the forcible movement of peasant populations”; “the conversion of ... common, collective, state, etc. ... property rights ... into exclusive property rights”.
- “The commodification of labor power and the suppression of alternative forms of production and consumption”.
- “The monetarization of exchange and taxation, particularly of land”.
- The reduction of “whole populations to debt peonage”.
- “The dispossession of assets by credit and stock manipulation”.
- “The patenting and licensing of genetic material, seed plasma and all manner of products”.
- The “buying up” of assets that have been devalued through crisis “at fire-sales prices”, with crises being “orchestrated, managed and controlled to rationalize the system” to “permit accumulation by dispossession to occur without sparking a general crisis”.
- “The rolling back of regulatory frameworks designed to protect labor” (Ibid.:145-147).

Harvey's list includes a range of unpleasant features of contemporary capitalism. But merely describing these as “dispossession” does not explain the present stage of the system.

“Dispossession” is simply a long word meaning theft. When Pierre-Joseph Proudhon used the phrase “property is theft” in the 19th century, it was an anti-capitalist rallying cry, capable of expressing people’s indignation at the system; so too is Harvey’s phrase “accumulation by dispossession”. But sloganeering against theft is not the same as providing a serious analysis, any more than it was when Marx criticized Proudhon in 1847.

The problem with Harvey’s analysis is all the more serious because it includes features that have always accompanied capitalist accumulation, like the “dispossession” of some capitals by others in the course of the recession-boom-recession cycle, as well as attacks on wages and working conditions. It also includes methods that some capitalists use to expand their profits at the expense of other capitalists such as “the dispossession of assets by credit and stock manipulation”. This cannot enable the capitalist class as a whole to accumulate more. As Marx put it:

The class of capitalists taken as a whole cannot enrich itself as a class, it cannot increase its total capital, or produce a surplus value, by one capitalist’s gaining what another loses. The class as a whole cannot defraud itself (Marx 1987). What applies to the dispossession of some capitalists by others even applies to certain forms of dispossession of non-capitalist sectors of the population. For instance, the widespread third world phenomenon of forcibly driving the urban poor from inner cities to make fortunes for property developers involves the further oppression of some of the poorest sections of the population. But it does not, in itself, create new value or surplus value for the capitalist class as a whole. The rents charged on luxury flats or office blocks are paid for out of already existing surplus value in the pockets of rich individuals or capitalist corporations (Fine 2006).

Furthermore, in late 2012, the Kenya Revenue Authority ruled that the Bangalore, India-based multinational (Karuturi) used transfer mispricing to avoid paying the government of Kenya nearly US\$11 million (EUR8 million) in corporate income tax, part of a larger set of tax disputes with government authorities that amount to a quarter of the firm’s 2012 sales. Companies like Karuturi are haemorrhaging Africa. Transfer mispricing robs African workers and citizens of access

to good public education, health care, transport services and a clean environment, which governments can only provide through proper revenues. It is difficult to say whether the Kenyan ruling class brought Karuturi book because they never got their share of the loot or they were reneging on their neoliberal engagements.

To put it bluntly, the shouting irony here is that Africa is actually not a debtor continent as proclaimed. African ruling classes deposit so much money from Africa into foreign banks. This is called capital flight. Billions more have gone into those banks than has been lent to Africa. According to one study, sub-Saharan Africa experienced capital flight of \$196 billion between 1970 and 1996—whereas these countries' combined debt in 1996 stood at \$178 billion (Mkandawire2002).A good portion of this money comes from funds siphoned off from foreign aid and sent back to the private accounts of African rulers in Western banks. This dynamic helps explain why African ruling classes do not refuse the World Bank and IMF neoliberal terms, as deadly as they are for the majority in Africa: the ruling classes like parasites profit off of foreign assistance (Bond 2006).

“Primitive” accumulation

Primitive accumulation plays in Political Economy about the same part as original sin in theology. Adam bit the apple, and thereupon sin fell on the human race. Its origin is supposed to be explained when it is told as an anecdote of the past. In times long gone by there were two sorts of people; one, the diligent, intelligent, and, above all, frugal elite; the other, lazy rascals, spending their substance, and more, in riotous living. The legend of theological original sin tells us certainly how man came to be condemned to eat his bread in the sweat of his brow; but the history of economic original sin reveals to us that there are people to whom this is by no means essential. Never mind! Thus it came to pass that the former sort accumulated wealth, and the latter sort had at last nothing to sell except their own skins. And from this original sin dates the poverty of the great majority that, despite all its labor, has up to now nothing to sell but itself, and the wealth of the few that increases constantly although they have long ceased to work. Such

insipid childishness is every day preached in the defense of property by the likes of Harvey.

Harvey argues that dispossession means that “primitive accumulation”, which Marx saw as important at the time of the rise of capitalism, continues to be a central feature of the world today – indeed, it seems, a more important feature than accumulation through the exploitation of labor power. But for Marx primitive accumulation was not simply the building up of fortunes by early capitalists through robbery. It was, centrally, robbery of land from peasants, which then forced them to seek employment as wage workers. Its specificity did not lie in exploiting classes increasing their wealth by force (something that has happened in all sorts of class societies). Crucially, it permitted the development of a specifically capitalist way of expanding this wealth by creating a class of “free” workers with no choice but to sell their labor power to those now in control of the means of production.

This form of “primitive” accumulation does continue today. Old landowners in Egypt, agrarian capitalists in Brazil, local Communist Party bosses in China and recently established capitalist farmers in India are continually trying to grab the land of local peasants, and where they succeed a new proletariat is created. But Harvey is mistaken in claiming this only characterizes recent decades. As Terry Byres (2005: 84) has noted, primitive accumulation occurred in the colonial empires that persisted into the post-war decades, although it was “far less successful in its separation of the producers from the means of production than domestic primitive accumulation was in Western Europe ... it had also left a large stratum of poor peasants in possession of land”.

While recent decades have seen the crudest forms of primitive accumulation, “it is not obvious that capitalist transformation is proceeding successfully” except in the case of East Asia (p.87). For Byres, the only large country where primitive accumulation has added substantially to capital accumulation as such is China, where “from 1978 onwards, millions were driven off the land, i.e. were effectively dispossessed and proletarianised” (p.88).

No account of primitive accumulation should leave out the most important in the 21st century – the seizure of the land from Africans.

“The Land is the Economy and the Economy is the Land.” Consider the case of Zimbabwe. In March 2002, for example, there were variations on the theme such as ‘People First. Our land is our prosperity,’ ‘Work the Land, Reap Prosperity, Build the Nation,’ and ‘What Would You Vote For? Plots to Kill ... or Plots to Till. On March 9 and 10 Vote for Your Land, Vote for President R.G. Mugabe.’ On the ‘democratization’ stage, many observers see the ‘land question’ as but an election winning ploy for ZANU (PF). Those who are implementing it, however, operate at another level. For them, the language of land rights challenges that of civil society and the opposition. First order rights are seen as the preserve of the bourgeoisie, while substantive social rights, of which land is the most basic, is made out to be the legacy of the liberation war.

For theoreticians like Harvey (Harvey 2003:141), Marx’s account of “primitive accumulation” is less important than an idea drawn from Rosa Luxemburg. She argued that a shortage of demand for capitalism’s products meant the system could only continue to expand by cannibalizing the pre-capitalist world around it. Harvey writes, “The idea that some sort of ‘outside’ is necessary for the stabilisation of capitalism ... has relevance.” He argues that capitalism’s problem is “over-accumulation” and that this can be solved by eating up “non-capitalist social formations or some sector within capitalism that has not yet been proletarianised”.

But what is there “outside capitalism” to allow “accumulation by dispossession” on the necessary scale? Harvey’s answer is that the state constitutes this “outside”, whether it is the state of the so-called “non-capitalist countries”, the developmental state in much of the Third World, or the state sector in advanced capitalist countries. Since these are all, for him, non-capitalist, a shift of their resources into private hands can provide new resources for capitalist accumulation. In making this argument, Harvey chimes with the “common sense” of a good portion of the left internationally, but it is a mistaken common sense.

Already in the 1870s Engels understood that nationalization does not in itself produce something outside capitalism:

The modern state, no matter what its form, is essentially a capitalist machine, the state of the capitalists, the ideal personification of the total national capital. The more it proceeds to the taking over of productive forces, the more does it actually become the national capitalist, the more citizens does it exploit. The workers remain wage workers – proletarians. The capitalist relation is not done away with. It is rather brought to a head (Engels 1897: 71-72).

In the period following the Second World War all serious Marxist analyses had to take into account intervention by states, not only to support private capitalists, but also to undertake capital accumulation in their own right. For instance, the German Marxist Joachim Hirsch described how:

As the development of the productive forces progresses, the maintenance of the process of accumulation demands, on the one hand, forms and individual capitals of an order of magnitude which capital, to some extent, is no longer capable of bringing forth itself directly in its reproduction process, and which can only be realized through the intervention of the state apparatus. On the other hand, this very process creates the necessity for counteracting state interventions to guarantee a relative equilibrium in the process of reproduction as a whole (Hirsch 1987: 81-82).

To read Harvey, you would think that the existence of a substantial state sector slowed down accumulation during the post-war decades. But that was a time with a higher rate of accumulation than today, so much that it has been baptized “the golden age of capitalism”. As Ben Fine (2006: 145) notes, “The boom ... was sustained by the opposite of the factors that Harvey now takes to be instrumental in current accumulation, not least the extension of nationalized industries and the economic role of the state more generally”. This is why primitive accumulation encompasses the alteration of pre-capitalist (‘communal’ and/or feudal) agrarian relations of production to capitalist ones, and the formation of a capitalist class. As Marx is often quoted, capitalism emerges from its preceding modes of production with ‘blood dripping from every pore.’ Contemporary capitalism in the regalia of neoliberalism exemplifies this mode of production in Africa today as it bleeds the continent to death.

Real Rationale for Privatization

There has been a frantic trend towards privatization of nationalized industries across much of the capitalist world for more than a quarter of a century, just as there was a trend in the opposite direction through much of the 20th century. How are we to explain this in the African context? A number of distinct factors are involved. The first moves to privatize state owned industries in the 1980s were often a pragmatic response to “the fiscal crisis of the state”—the pressure on government finances as recession cut into tax revenues, and unemployment forced up dole and social security payments. Selling off state holdings in profitable companies, and then whole state owned corporations, brought in lots of cash and provided short term relief for governments’ problems.

Combined with this was a belief that state monopolies, removed from the pressure of competition, were not pushing their workers hard enough. This ties in with a wider notion that is often repeated today, even by some on the left—that the period of state economic interventionism was somehow based on a “Fordist” compromise between employers and workers (Dunn 2004: 63-64 and 66-67)—a view which should be refuted by the actual behavior of the Ford Motor Company. The logic of this view was that breaking up state owned monopolies and opening them to the market would force their managers to be much harder on the workers, and would intimidate the workers into accepting worse conditions. Certainly the approach of privatization often encouraged managers to force through methods to push up productivity. And once privatized, it was easy for companies to “contract out” a range of activities, so breaking the links that tie weak groups of workers to potentially more powerful ones. Ben Fine (Fine 1999: 42) argues that “privatization has been an important way in which the relations between capital and labor have been reorganized” and is connected to so-called “labor market flexibility”.

Does the record validate the claims of the privatizers? Since the last number of decades, African Governments embarked on privatization programs. A 1996 World Bank survey, for example,

estimated that whereas in 1990 there were 6069 state owned enterprises (SOEs) in the Sub-Saharan region of Africa, this number had reduced to 4058 by 1995 as a result of privatization. Reasons for privatization were not in limited supply.

The reasons for the increased activity in privatization can be attributed to various factors. In Uganda, for example, privatization developed largely because of pragmatic reasons. President Museveni's National Resistance Movement (NRM) took power in 1986, after years of civil war. The NRM inherited an economy devastated by the civil war. Rather than try to rebuild a depleted industrial infrastructure, the government chose to transfer its holdings in SOEs to the private sector, which it was thought, would be more efficient in running these enterprises. Conversely, in Senegal, privatization was embarked upon in 1985 mainly because of structural adjustment policies imposed by the World Bank and IMF. This, however, resulted in the Senegalese people viewing privatization essentially as an imposed solution to their problems. Such public opposition to privatization may explain why the privatization program in Senegal has not proceeded as quickly as in Uganda. As of 1996, for example, Senegal had privatized 48 SOEs worth a total of US\$65 million, while Uganda had privatized 76 SOEs worth a total of US\$137 million.

Privatization Legislation

Several countries have enacted privatization legislation to govern the sale of SOEs. Others have not enacted legislation, but nevertheless still actively privatize SOEs. A good example of this is Kenya which to date does not have privatization legislation, yet it has privatized more than 150 SOEs including a public offering of shares in Kenya Airways, with a 26% stake being purchased by KLM via a private placement. Part of the reason for the absence of privatization legislation in Kenya is historical. Kenya has traditionally been a market-oriented economy. It has always been implicit that the government was authorized to dispose of its interests in enterprises. In Tanzania, on the other hand, which has a long history of socialism, private ownership of assets was anathema, and, therefore, the Tanzania Government recently had to

pass an amendment to the State Corporations Act of 1993 to authorize the privatization of SOEs.

Lesotho and Zambia are examples of two countries that have adopted comprehensive legislation. The Privatization Act 1995 of Lesotho contains elaborate provisions, from the establishment of the Privatization Unit (the Unit), which is charged with overseeing the privatization process, to the methods of privatization. The functions of the Unit include deciding, in consultation with the relevant Ministry concerned, the most appropriate method of privatization, setting tender rules and procedures for public and restricted tenders, negotiating bids, contracts for sale and lease agreements, and approving any prospectus prepared in relation to a public offering of shares.

The Unit may privatize an SOE by the sale of shares, sale of business as a going concern, sale of specific assets, leasing of business with or without an option to purchase, management contract, franchising, and liquidation. An interesting requirement is that the SOE must be sold for its market value. This is important because it ensures, if one draws the analogy of the government as the management of a company and the plenipotentiaries as the shareholders, that the aim of privatization is to maximize shareholder value.

The privatization scheme in Lesotho begins with the Unit preparing a Privatization Scheme for an SOE. This scheme includes a description of the SOE, the name of the relevant Ministry, a statement of recently audited accounts, and the proposed method of privatization. Once the scheme is prepared, it is then presented to the cabinet for approval. The cabinet may approve conditionally or unconditionally, the privatization scheme. Upon approval, the Unit has to identify a potential purchaser who must then be approved by the cabinet. Once all the requisite consents have been obtained, the SOE is privatized according to the approved scheme.

The Privatization Act of 1992 of Zambia (Chapter 386 of the laws of Zambia) is similar in scope. The Zambia Privatization Agency (the Agency) is charged with overseeing the privatization process in Zambia. SOEs are privatized in Zambia in accordance with a

divestiture sequence plan which is prepared by the Agency and approved by the cabinet. To start the process, after carrying out relevant privatization studies, a list of companies to be privatized is published in the Government Gazette. This is usually followed up by advertisements calling for bids for individual companies. Once bids are received, a rigorous appraisal process by teams of Agency staff and other consultants is carried out. After the valuation of the business and negotiations for sale, a draft sale agreement is drawn up and reviewed by the Attorney-General, before the closing.

Privatization and Capital Markets Development

One of the positive results of privatization has been the accelerated development of capital markets in several countries. In Zambia, the establishment of the Lusaka Stock Exchange and a share warehousing facility known as the Privatization Trust Fund (PTF) in 1994 came shortly after the inauguration of the privatization program in 1992. Likewise, in Tanzania, the Dar Es Salaam Stock Exchange was incorporated in September 1996 as part of the overall privatization program.

Nigeria provides a good case study of the role of capital markets in privatization. As a general rule, before an enterprise can qualify for a listing on the Nigerian Stock Exchange it must have been profitable for five consecutive years with a record of dividend payments for the past three consecutive years. The minimum initial public offering must be 25% of the equity capital. The Securities and Exchange Commission of Nigeria after consultation with the Bureau of Public Enterprises determines the price of shares of an enterprise that is to be privatized through a public offering. Publicity for the privatization is through advertising on television and radio networks as well as through the three main daily newspapers which publish the prospectus summary. As of 1996, out of 49 federal public institutions privatized in Nigeria, 35 have been through public offerings.

In addition to increasing the capitalization of capital markets in several countries, privatization has also indirectly contributed to the development of corporate governance. Prior to privatization, many

SOEs were inefficient, money losing enterprises. With privatization and the corresponding change in management, however, several privatized corporations are now efficient profit-making enterprises. A good example of this was Kenya Airways, which until privatization, was a loss-making SOE. With a change in management and technical assistance from its core investor KLM, it is now one of the most profitable companies in Kenya.

Challenges for the Future

Currently, “privatization” is ideologically fashionably identified with “democracy.” Unfortunately, this ideologically promoted privatization is no remedy for the ills of the Central/Eastern Europe, any more than stabilization and privatization policies have been for the ills of Africa and elsewhere. The current privatization craze is just as economically irrational and politically ideological as was the earlier nationalization craze. It makes very little difference whether an enterprise is owned privately or publicly; for all have to compete with each other on equal terms in the world market.

The only exceptions to this rule are public enterprises that are subsidized by the state budget, and private enterprises that are also subsidized from the state budget and/or are otherwise bailed out “in the public interest.” Well known examples in the United States are Detroit’s Chrysler Corporation; Chicago’s Continental Bank and Trust Company (at the time the eighth largest US bank); the Ohio, Maryland, California and Texas Savings & Loans; and even New York City. Moreover, in the market, public and private enterprises can both make equally good and bad investments and other management decisions. In the 1970s, (public) British Steel overinvested badly, and (private) US Steel underinvested badly. In the 1980s, both closed down steel mills over the public objections of labor. So did the private steel industry in Germany under a Christian Democratic government and the public steel industry in France under a Socialist government.

Although privatization has engendered economic development in a lot of countries, there is still a long way to go. The privatization programs in various countries need to be continually reviewed and

refined to ensure that the process is run as efficiently as possible to attract foreign investors and ensure maximum returns to the various governments. Examples from Ghana may be illustrative. According to the International Labor Office (ILO), the Divestiture Implementation Committee in Ghana, which is charged with supervising the privatization program in Ghana, was, in late 1993, coming under intense scrutiny from the public. It was accused of lack of transparency in its operations, and inefficiency in its management. It accepted these criticisms and to address them, has since published such statistics as the list of SOEs to be privatized, the names and addresses of the purchasers, the value of the enterprise, and the amounts paid to date. In order to reduce the rate of default among potential investors, it has introduced a system of bid bonds. It is conceivable that such streamlined measures, if adopted in other countries that have not already done so, will be of benefit to both foreign investors and the governments.

But this motivation for privatization clashes with its use as a short term solution to the state's financial problems. For the state to make a lot of money out of privatization, the privatizers had to have a prospect of monopoly profits. The breaking up of firms to shake up managers and frighten workers would do away with the monopoly. In practice most firms were sold intact, and left in a position of being able to charge monopoly prices to other sections of capital. The state then had to appoint "regulators" to try to do by decree what the market was meant to do.

At the same time, privatization is not absolutely necessary to create the illusion of the automatism of the market. The breaking up of state run institutions into competing units (NHS trusts, foundation hospitals, city academies, "self-governing" colleges, "agencies") can try to achieve the same goal; so can "market testing" within particular entities. So too can deregulation aimed to produce competition between different nationally based, and often still state owned, companies. This is what the European Union is trying to do to a whole range of industries such as electricity and postal services. The end result of privatization in a country like Britain can be that whole

sections of “privatized” services such as electricity, water and rail can be run by foreign state owned companies.

These last examples refute Harvey’s portrayal of privatization somehow crossing a magic line from “non-capitalist” to “capitalist” production. They do fit in with his description of neoliberalism as concerned with “class power”, although describing this as a “restoration”, let alone a creation, of class power is to massively exaggerate the weakness of the capitalist class in the pre-neoliberal period. There is also considerable debate about how effective privatization has really been. Keynesian pro-capitalist analysts have produced studies suggesting zero or very few gains to “efficiency” from privatization compared to changes such as new technology that could have been introduced just as effectively, perhaps even more effectively, in a nationalized concern.

Class power is involved in privatization in another way. A powerful ideological myth sustaining capitalist rule within bourgeois democracies is that the state represents the whole of the population. To sustain this myth the ruling class has to concede a margin of influence to the mass of people over the behavior of the state through elections. This was not a problem when the general level of profitability allowed it to grant real reforms. Indeed, state possession of industries could help sustain the myth that the state was neutral in relation to class forces, so stabilizing capitalism politically as well as economically. But when capitalism entered a long period of crises three decades ago a risk arose that people would expect the state controlled section of industry to protect them against the impact of these crises. Separating industry off from the state and subjecting it to the market can depoliticize the attacks on workers that accompany the crisis, shifting the blame to the seemingly automatic, natural forces of the market.

So Gavriil Popov, the free market economist who was mayor of Moscow during the tumultuous years 1989 to 1992, argued:

If we cannot soon denationalize and privatize property, we will be attacked by waves of workers fighting for their own interests. This will break up the forces of perestroika and put its future in question ... We must seek new mechanisms and institutions of political power that depend less on populism (*Socialist Review*, December 1990).

This Russian example challenges Harvey's ideas that "non-capitalist states" were transformed into capitalist ones to the benefit of the world system as a whole between 1989 and 1991. Far from this seeing the "creation" of a new class, many of the same people continued to control industry and the state. Faced with a great social crisis, they sought to find a way out by restructuring the economy under their control, and to protect themselves, through forms of privatization giving the impression of ownership by the mass of people (for instance, privatization by distributing vouchers, which favored industrialists and apparatchiks who could then buy them up on the cheap). Some of the old ruling class gained from this and some lost out. But it can hardly be argued that the result was a great boost to accumulation either in the former USSR or worldwide – accumulation rates worldwide fell in the 1990s to even lower levels than in the 1980s (Terrones and Cardarelli 2005).

The almost "giveaway" privatizations of 1980s Britain, when firms and housing stock were sold below their real value, had the additional ideological advantage of winning support from sections of the middle class and some workers. However, this was not nearly as powerful a force as those who talked in the mid-1980s about "authoritarian populism" used to claim. For instance, one 1980s study found that workers who bought their council houses were no more likely to vote Tory than those who had not (Heath, Jowell and Curtice 1985). Harvey (Harvey 2005: 61-62). overstates the case when he writes that under Thatcher "middle class values spread more widely to encompass many of those who had once had a firm working class identity".

There are two more factors involved in the trend towards privatization. Many commentators hold that it makes restructuring through mergers and acquisitions across national boundaries easier. As Ben Fine (Fine 1999: 42) has argued, restructuring internationally "has posed a problem to state owned industries which are confined to domestic ownership alone". For capitalists involved in such activities, there is always the suspicion that a state owned partner will be getting tax concessions and subsidies from its government which will distort its balance sheets – and that if the merged company faces economic

difficulties that government will come under political pressure to try to pass the buck to the foreign partner.

This element in the logic of privatization is particularly appealing to those best placed to gain from it. Privatization imposed on Third World countries by the International Monetary Fund and the World Bank as the price of deferring debt repayments can be of considerable benefit to American and European capital. Harvey quite rightly makes this point. He is, however, mistaken when he gives the impression that this form of “accumulation by dispossession” is somehow central to profit making.

An indication of where capital can best gain profits is given by the global flows of foreign direct investment. Two thirds of these are to the advanced countries, and the biggest chunk of the rest is to one destination only—China. The fact that those non-Western countries with financial surpluses (China, the Gulf oil states, etc.) have been using them to finance “private equity” takeovers of Western firms suggests that they know where most of the lucre still lies. It is worth noting here that Duménil and Lévy have completely distorted the picture in one of their widely read articles. They assert that “in 2000, US financial investments (treasury bills, bonds, commercial paper, stock shares, direct investment, etc.) in the rest of the world amounted to 3,488 billion dollars. The corresponding income was 381 billion dollars, that is, a return of nearly 11 percent. It is interesting to note that this income was approximately equal to the total after-tax profits of all corporations in the United States, excluding such flows from abroad - that is a ratio of 100 percent” (Duménil and Lévy, 2004b). This is a complete misuse of figures, since it ignores foreign investments in the US and the counter flow of income from the US to capitalists and states abroad. Inward investment into the US has for some years been considerably greater than outward investment from it - even if the outward investment is on average more profitable. Duménil and Lévy recognize this elsewhere, giving figures showing income flows into and out of the US balancing each other (Harvey 2005: 191).

Finally, privatization is very profitable for some capitalists. It cannot in itself create more surplus value. Only increasing the

exploitation of workers or peasants can do that. Otherwise all that is involved is diverting surplus value from one capitalist to another. But it does benefit particular capitalists. Their material interests are very much connected with the propagation of neoliberal ideology, and they set out to woo, bribe and browbeat politicians into pushing privatization further.

Effectiveness of Neoliberalism for Capitalism

It is clear that what first began some decades ago as a crisis in the obscure sub-prime mortgage market within the US finance industry has developed into a full-blown global economic crisis, with a slowdown or even halt to economic growth, falling sales and rising unemployment in African countries. As always in such circumstances, different social interests are now proposing responses that serve their own needs; but for all such groups, in order to frame an appropriate response it is first necessary to decide what kind of crisis this is.

Superficially, it has been first and foremost a crisis in the supply of credit, and in the liquidity of major banks and other financial institutions: in brief, a credit crisis. Until the summer of 2008, this was the most common interpretation, with the result that bankers, economists and politicians were focused on rather narrow issues of regulatory standards and procedures in financial markets. By and large, with the exception of the original victims – the low-income US homeowners to whom the sub-prime mortgages had been sold – the problem did not seem to concern ordinary workers and consumers, so long as the monetary authorities in each country were able to guarantee deposits and avoid bank insolvencies.

A second line of argument has more recently emerged as the “real economy” has ground to a halt, with many countries experiencing economic slowdown or recession, falling consumer sales and rising unemployment. This is now a crisis of overproduction, whether in the Keynesian sense of a cumulative decline in effective demand, accompanied by a slowdown in inflation or even falling prices, or in the traditional Marxian sense, where the excesses of an investment boom lead to falls in the mass and rate of profit, first from labor

shortages via rising real wages, and then from the emergence of overcapacity. This is the sort of crisis that is addressed by so-called trade cycle theories, seen as an unavoidable feature of capitalism, and one that is eventually resolved by a shorter or longer period of recession. But the present downturn is widely expected to be the most severe since the 1930s, and in some respects the first truly global crisis of overproduction since then. Because typically the burden of adjustment in such cyclical crises falls most immediately and heavily on workers, it is this understanding of the crisis that most obviously focuses on class responses, first of all in the form of trade union resistance to unemployment and wage cuts, and then to wider political mobilization.

On the other hand, many commentators identified the proliferation of financial derivative products as a key reason why the crisis broadened so rapidly in all directions. This proliferation has in turn been attributed to the deregulation of financial markets, which has been such a central feature in the neoliberal model of capitalism that has been adopted almost everywhere in the last thirty years. From this standpoint, progressive commentators have suggested that we are facing a *crisis of neoliberalism*, which opens up the prospect of a turn towards greater state regulation and a curbing of speculative finance in favor of directly addressing problems of the “real economy”. This understanding of the crisis has also led to calls for the rethinking of the global economic order, especially through a “new Bretton Woods” process that would address the restructuring of the world economy and the rising economic strength of China and India in particular.

Predominantly, such a view of the crisis is at present only adopted within what we can call the political class, since it focuses on the institutions and practices of state economic management. Since in most countries neoliberalism has excluded the organized working class from participation in economic management—as occurred in the old forms of corporatist inclusion from the 1930s to the 1970s—these issues still remain remote from the day-to-day lives of most people. But there is no question that in the longer term, it is this dimension of the crisis that is most important, because it raises deep structural issues of the nature of class power: the ideology and practice of

neoliberalism, which attained hegemonic status in the 1990s, is now seriously called into question in Africa as social conditions deteriorate. At the same time, a focus on neoliberalism automatically raises the issue of globalization also, since the two have been so closely related.

Today capitalism has been disguised in Africa as democracy. There is always a certain danger in propagandizing and agitating against repeated capitalist offensives. In stressing the harm they do it is very easy to overestimate their success and to underestimate the obstacles confronting them. It is also easy to forget that these obstacles come not only from popular resistance, but from contradictions within capitalism itself. A picture is presented of a defeated working class, no longer capable of withstanding the onslaught on its conditions. The typical worker is said to suffer precarious employment, with the threat continually hanging over his or her head of the firm simply shutting down and moving abroad.

So John Holloway (1995:125) asserts, “Capital can move from one side of the world to the other within seconds”. Hardt and Negri’s *Empire* claims (2001:296-297), “Capital can withdraw from negotiation with a given local population by moving its site to another point in the global network ... Entire laboring populations have thus found themselves in increasingly precarious employment situations”. Holloway does at one point recognize that productive capital is less mobile than money capital, but then goes on to ignore the effect of this distinction on the relations between capitals and states.

For Harvey (2005:168-169), capital relocates production as one of the “spatial temporal fixes” through which it responds to over-accumulation: “The geographical mobility of capital permits it to dominate a global labor force whose own geographical mobility is constrained”. With technological change “offshore production became possible and the search for profit made it probable. Wave after wave of deindustrialization hit industry after industry and region after region within the US” (Harvey 2003: 64. This, he claims, enables capital to impose increasingly precarious forms of work on workers:

In the neoliberal scheme of things short term contracts are preferred in order to maximise flexibility ... Flexible labor markets are established ... The individualised and relatively powerless worker then

confronts a labor market in which only short term contracts are offered on a customized basis. Security of tenure becomes a thing of the past. Under neoliberalisation, the figure of “the disposable worker” emerges as prototypical upon the world stage ... Disposable workers – women in particular – survive both socially and affectively in a world of flexible labor markets and short term contracts, chronic job insecurities, lost social protections, and often debilitating labor, amongst the wreckage of collective institutions that once gave them a modicum of dignity and support (Harvey, 2005, pp.169-170).

This picture is not unique to left critics of neoliberalism. It is also to be found in the writings of those who have abandoned the left to embrace some version of the “Third Way”. Some of the phrases in Harvey could almost come from the writings of Anthony Giddens or Manuel Castells. Castells (Giddens 1998; Giddens 2002; Castells 2006), for instance, writes of:

Structural instability [*sic*] in the labor markets everywhere, and the requirement for flexibility of employment, mobility of labor, and constant reskilling of the workforce. The notion of the stable, predictable, professional career is eroded, as relationships between capital and labor are individualized and contractual labor conditions escape collective bargaining (Castells 2006: 9).

So many different voices tell the story that, it seems, no amount of counter-evidence can stop people believing in it (See for instance, the article by the journalist John Harris, *The Slow Death of the Real Job is Pulling Society Apart*, the *Guardian*, 19 October 2007). For instance, Harvey, writing 18 years ago, admitted that such counter-evidence exists, referring to the empirical work of Anna Pollert who “challenges the ideas of flexibility in labor markets and labor organization and concludes the ‘discovery of the flexible workforces is part of an ideological offensive which celebrates pliability and casualisation and makes them seem inevitable’” (Harvey, 1989: 190). His response was simply to dismiss such evidence out of hand: “I do not accept this position. The evidence for increased flexibility (subcontracting, temporary and self-employment, etc.) through the capitalist world is simply too overwhelming to make Pollert’s counter-examples credible”

(p.191). He did not himself provide such evidence, and does not in his later books either.

I have challenged the sorts of claims Harvey takes for granted before and do not intend to lay out the evidence once more here (Harman, 1996b; Harman, 2002. See also Dunn, 2004, and Bellofiore, 1999). But certain important points need to be made:

- Financial capital may be very mobile, but industrial capital is fixed in buildings, machinery and a material infrastructure required to sustain it. It cannot move at a moment's notice. Harvey at least recognizes that (Harvey 2003:100), but does not let it ruin his story of the relentless spread of precariousness.

The major source of recent job losses has not been the contracting out of work abroad. Tim Koechlin (2006) has analyzed US investment and concludes that between 1991 and 2004 foreign direct investment by US companies only amounted to 7.4 percent of total productive investment by those companies, and investment in “developing countries” to only 2.5 percent. Another study shows that between 1993 and 1998 US manufacturing employment “increased from 16.8 to 17.6 million and almost regained the 1989 peak of 18 million”. This was followed by “the largest slump in manufacturing employment in post-war history”. This was not caused by a flood of imports of either goods or services, but rather “the result of inadequate growth of domestic demand in the presence of strong productivity growth” and the “weakness of US exports” due to “the high US dollar”(Baily and Lawrence 2004).

- Capital cannot manage without workers who have certain skills, and prefers workers who have some sense of responsibility for the job. It takes employers time to train people and they are rarely keen to lose them if they can avoid it. They therefore do not always treat workers as “disposable”, even when it comes to semi-skilled and unskilled labor. This is true just as much in less developed countries as in the advanced industrial ones (Selwyn, 2007).

- The empirical evidence for Western Europe does not justify a picture of a uniform, relentless spread of precarious jobs. There was a “substantial” increase in the number of such jobs in the early 1990s, but the relative proportions of permanent jobs (82 percent) and non-

permanent jobs (18 percent) remained almost unchanged between 1995 and 2000. There are also huge variations between countries. Despite Britain being supposedly the most neoliberal country in Europe, one measure of precarious employment shows it as amounting to only 16 percent of jobs in 1992 as compared to 35 percent in Spain (Bodin 2001). There was actually a decline in the course of the 1990s, so that by 2000 one survey showed only 5 percent of British employees being on temporary contracts (Taylor 2002). And the number of people who had worked at the same workplace for more than ten years rose from 29 to 31 percent. (These figures are from the Office for National Statistics, **Social Trends 2001**, p.88. An excellent, but as yet unpublished, study of the transformation of work by Kevin Doogan provides a similar picture to these figures).

- Many forms of work lumped together as “precarious” are long term, permanent jobs. This is true of the great majority of part time jobs, which are by no means temporary. This is also true of many jobs with short term contracts. Often short term contracts are for workers who are in fact permanent, with their contracts regularly being renewed when they expire. They are denied certain employment rights, but that does not mean the employer can easily dispense with their services or prevent them having the power to fight back. After all, there were no such things as formal contracts of employment in Britain before the introduction of redundancy payments in the late 1960s, and employers had the right to sack workers whenever they felt like it. But this did not prevent the growth of shop floor based union strength, even among groups such as dockers who were employed on a daily basis.

- Often what is involved is not workers losing the capacity to exert leverage on employers, but employers seeking to undermine workers’ belief that they can do so. A study by Kate Bronfenbrenner (2000) found that during the economic upturn of the 1990s American workers felt more insecure about their economic future than during the depths of the 1990-1 recession. “More than half of all employers made threats to close all or part of the plant” during union organizing drives. But afterwards “employers followed through on the threat and shut down all or part of their facilities in fewer than 3 percent” of cases.

In other words, it is in the interests of employers to overemphasize how precarious jobs are in order to demoralize workers and lower the level of resistance. The task of the left is not to exaggerate insecurity, but to point to the counter-factors that provide workers with continued strength if they have the confidence to deploy it.

Capitalist ruling classes can only prosper by exploiting people's capacity to work (their "labor power"). That capacity is damaged by illness, accidents and malnutrition. So capitalists have to worry about keeping a fit and able body of workers (i.e. "reproducing labor power"). That requires healthcare for workers, and benefits to enable workers to survive through periods of unemployment so that they can be fit for exploitation when the economy revives.

Modern capitalism also has to worry about the upbringing of the next generation of labor power, and ensuring it has the right level of education, training and work discipline to be profitably exploited. Hence the way its apologists worry about the "human capital" of the workforce and the amount of educational "value added" by schools. Finally, it is not just a question of physical wellbeing and aptitude. It is also a question of morale. The capitalist wants contented workers to exploit in the same way that a farmer wants contented cows. Workers cannot be expected to labor with any commitment to their work if they expect to starve to death once they reach retirement age. As Marx put it, there is a historically and socially determined element to the cost of reproducing labor power as well as a physiological one.

A pivotal moment in welfare development in Britain was the panic that developed at the time of the Boer War, when it was discovered that a high proportion of those who tried to enlist in the armed forces were not fit enough to fight. Ann Rogers has summarized the upper and middle class reaction:

The belief that change was necessary if Britain was to compete successfully with Germany and the United States remained central. Whether the argument was formulated by the Fabians or by Liberal imperialists the concentration was on the damage that poverty was doing to society rather than the misery it caused individual workers ... the underlying reason for the desire to improve the health of the

working class was the need for a healthier labor force in the factories and the army (Rogers, 1993).

This was the background to the granting of old age pensions and the provision of school meals by the Liberal government of 1906. But labor power is not an object like other commodities, which are passive as they are bought and sold. It is the living expression of human beings. What from a capitalist point of view is “recuperation of labor power” is for the worker the chance for relaxation, enjoyment and creativity. There is a struggle over the social wage just as over the normal wage, even if both are, up to a certain degree, necessary for capital.

This makes it very difficult for capital to redesign the welfare state in a way which would really fit with its narrow economic requirements. That would involve maintaining and even expanding those of its elements that are essential to the maintenance and reproduction of a productive labor force, while curtailing or abandoning “non-productive” expenditure on things like the care of the chronic sick, of the seriously disabled and of retired workers. The competitive extraction of surplus value demands the continuation of part of the welfare state. The political realities of maintaining power through bourgeois democracy rule out dismantling the rest of it.

This is where internal markets, market testing, contracting out, privatization, encouraging private pensions and all the rest come in. They are mechanisms that are meant to depoliticize the process of social provision, so making it easier to refuse it to those deemed not to deserve it on the one hand, and to clamp down on the workers in the welfare sector on the other.

Contradiction between Theory and Practice

Systemic fraud has been the second nature of corporatist regimes from its humble beginning since the first half of the XX century in Mussolini’s Italy to the reincarnation of corporatism by Ronald Reagan and Margaret Thatcher. Like Mussolini used to say: “to friends everything, to enemies the law”. Mussolini claimed that this way dynamic (or heroic) capitalism based on private initiative could be

prevented from degenerating into stale crony capitalism. Corporatism (especially in its Neoliberalism form) needs to be distinguished from state capitalism that has been shown the way out of Africa by neoliberalism.

In state capitalism, governments use various kinds of state-owned companies to manage the exploitation of resources that they consider the state's crown jewels and to create and maintain large numbers of jobs. They use select privately owned companies to dominate certain economic sectors. They use so-called sovereign wealth funds to invest their extra cash in ways that maximize the state's profits. In all three cases, the state is using markets to create wealth that can be directed as political officials see fit. And in all three cases, the ultimate motive is not economic (maximizing growth) but political (maximizing the state's power and the leadership's chances of survival). This is a form of capitalism but one in which the state acts as the dominant economic player and uses markets primarily for political gain.

Two of the dominant tendencies of modern capitalism are globalization and neoliberalism. Since the 1980s, in particular, there has been a renewed emphasis on deregulating and opening up markets for competition globally, and also for reducing the role of the state in economic affairs. Globalization and neoliberalism are in fact hegemonic trends that few analysts dare to question. In orthodox circles it has been sacrosanct to support such tendencies, and any deviation from this trend is eschewed. Globalization includes the trend to reduce tariffs and subsidies for business, dismantle restrictions to foreign direct investment, and deregulate exchange rates to enable prices to reflect market processes. Neoliberalism seeks to deregulate labor, financial and commodity markets as well as reduce budget deficits, privatize government services and cut government spending. Neoliberal globalization or globalized neoliberalism is so dominant that texts often present such policies as gospel rather than as perspectives on governance that are subject to debate and analysis.

In other circles, usually heterodox ones, neoliberal globalization is attacked for being an extreme philosophy subject to major error and analytical shortcomings. Globalization is attacked for promoting cultural destruction, financial instability, global inequality,

unfair/unhealthy labor conditions, transnational corporate control, and Western (especially US) hegemony in the global economy. Its twin, neoliberalism, is similarly attacked for ignoring public goods and system functions, for reducing the material standard of living of working people, for promoting corporate crises through insufficient governance, and for also leading to inadequate global effective demand. In heterodox circles these are the leading arguments proffered against neoliberal globalization.

With such a dichotomous state of affairs, how are scholars and policy analysts to make sense of globalized neoliberalism in Africa? Should they simply accept orthodoxy and run the risk of having major socioeconomic instability? Should they accept the heterodox argument and re-regulate to reduce instability and crises? Or should they simply take a middle-of-the-road course and accept some form of moderate social or evanescent liberal democracy as a basis for action and thought? We need to situate these extreme positions through recognizing the role of values and ideologies to gain knowledge of the world in which Africa is bound to live.

Let's be clear right away that neoliberal *theory* is one thing and neoliberal *practice* is another thing entirely. Since 2008, the global economic crisis has exposed and deepened the tensions between austerity and social security—not just as competing paradigms of recovery but also as fundamentally different visions of governmental and personal responsibility. In this sense, the core premise of neoliberalism—the dominant approach to government around the world since the 1980s—may by now have reached a certain political limit. Based on the premise that markets are more efficient than government, neoliberal reforms were pushed by powerful national and transnational organizations as conditions of investment, lending, and trade, often in the name of freedom. In the same spirit, governments increasingly turned to the private sector for what were formerly state functions. It has become a commonplace to observe that neoliberalism refashioned citizenship around consumption. This is an incomplete image—as the social limits of neoliberalism are inherent in its very practice.

African history demonstrates it is possible to have capital accumulation alongside forms of, albeit limited, social protections. However, there are strong forces, especially corporate, mobilized against states moving in such a direction. The “historic victory of capital over labor,” is an outcome of neoliberalism with a three-fold significance in the current context. First, it has weakened the power of organized labor and granted enormous political power to capital. Second, it has facilitated greater freedoms for capital. Third, in extending the sphere of capital accumulation and the extent of commodification, it has created greater market dependence. That is, ordinary African people have a greater dependence on markets to secure their everyday necessities than was the case prior to the neoliberal era. The first of these factors means that capital as a class has enormous influence over the direction of state policy making. The second and third factors mean capital is likely to oppose attempts to win back the transformations to capital accumulation facilitated by neoliberalism, even if the specific regulatory modes by which this occurred are altered. Capital opposes, for example, moves to quarantine workers from the market. The political power of capital thus makes it difficult for African state elites to pursue such an agenda.

Outside Africa, most members of the Organization for Economic Co-operation and Development (OECD)—including the U.S. federal government—have seen state intervention and state public expenditures *increase* during the last thirty years. My area of scholarship is public policy and I study the nature of state interventions in many parts of the world. I can testify to the expansion of state intervention in most countries in the developed capitalist world. Even in the United States, President Reagan’s neoliberalism did not translate into a decline of the federal public sector. Instead, federal public expenditures increased under his mandate, from 21.6 to 23 percent of GNP, as a consequence of a spectacular growth in military expenditures from 4.9 to 6.1 percent of GNP (Congressional Budget Office National Accounts 2003). This growth in public expenditures was financed by an increase in the federal deficit (creating a burgeoning of the federal debt) and an increase in taxes. As the supposedly anti-tax president, Reagan in fact increased taxes for a greater number of people (in peace

time) than any other president in U.S. history. And he increased taxes not once, but twice (in 1982 and 1983). In a demonstration of class power, he drastically reduced taxes for the 20 percent of the population with the highest incomes, while raising taxes for the majority of the population.

It is not accurate, therefore, to say that Reagan reduced the role of the state in the United States by reducing the size of the public sector and lowering taxes. What Reagan (and Carter before him) did was dramatically change the nature of state intervention, such that it benefited even more the upper classes and the economic groups (such as military-related corporations) that financed his electoral campaigns. Reagan's policies were indeed class policies that hurt the majority of the nation's working class. Reagan was profoundly anti-labor, making cuts in social expenditures at an unprecedented level. It bears repeating that Reagan's policies were not neoliberal: they were Keynesian, based on large public expenditures and large federal deficits. Also, the federal government intervened very actively in the nation's industrial development (mainly, but not exclusively, through the Defense Department). As Caspar Weinberger, secretary of defense in the Reagan administration, once indicated (in response to criticisms by the Democrats that the administration had abandoned the manufacturing sector), "Our Administration is the Administration that has a more advanced and extended industrial policy in the western world" (*Washington Post*, July 13, 1983). He was right. No other western government had such an extensive industrial policy. Indeed, the U.S. federal state is one of the most interventionist states in the western world.

There exists very robust scientific evidence that the United States is not a neoliberal society (as it is constantly defined) and that the U.S. state is not reducing its key role in developing the national economy, including in the production and distribution of goods and services by large U.S. corporations. This empirical evidence shows that federal government interventionism (in the economic, political, cultural, and security spheres) has *increased* over the last thirty years. In the economic sphere, for example, protectionism has not declined. It has grown, with higher subsidies to the agricultural, military, aerospace, and biomedical

sectors. In the social arena, state interventions to weaken social rights (and most particularly labor rights) have increased enormously (not only under Reagan, but also under Bush Senior, Clinton, and Bush Junior), and surveillance of the citizenry has increased exponentially. Again, there has been no diminution of federal interventionism in the United States, but rather an even more skewed class character to this intervention during the last thirty years.

Neoliberal narratives about the declining role of the state in people's lives are easily falsified by the facts. Indeed, as John Williamson, one of the intellectual architects of neoliberalism, once indicated, "We have to recognize that what the U.S. government promotes abroad, the U.S. government does not follow at home," adding that "the U.S. government promotes policies that are not followed in the U.S." ("What Washington Means by the Policy Reform," in J. Williamson, ed., *Latin America Adjustment*, 1990, 213). It could not have been said better. In other words, if you want to understand U.S. public policies, look at what the U.S. government does, not what it says. This same situation occurs in the majority of developed capitalist countries. Their states have become more, not less, interventionist. The size of the state (measured by public expenditures per capita) has increased in most of these countries. Again, the empirical information on this point is strong. What has been happening is not a reduction of the state but rather a change in the nature of state intervention—further strengthening its class character.

Roots of Inequalities

Neoliberalism, as ideological class practice, has disentangled capital from any visible constraints (Harvey, 2005) in Africa. Like embedded liberalism, neoliberalism emerged as a remedy to a massive economic crisis that was started decades ago, as the older formula was not working anymore against the capital accumulation, high rates of unemployment and inflation worldwide. The main points of neoliberalism include liberating private enterprise from any bonds imposed by the government, shrinking the role of the state, cutting public expenditure for social services such as education and healthcare,

encouraging foreign direct investment by lowering trade barriers, eliminating borders and barriers to allow for the full mobility of labor, capital, goods, and services, rising capital flows, deregulation, decentralization, and privatization (Martinez & Garcia, 2001; World Bank, 2002).

Neoliberal transformation of healthcare in Africa is reflective. The World Bank prepared a milestone report in 1993, titled 'Investment in Health', which summarized the neoliberal policies in healthcare and guides the neoliberal transformation of healthcare systems worldwide, including the developed and developing countries (World Bank, 1993). A new approach was proposed for finance and organization of healthcare services worldwide, based on the argument that the then-existing various health systems had failed. According to the report, four major problems of health systems globally were misallocation of resources, inequity of accessing care, inefficiency, and exploding costs. It was claimed that government hospitals and clinics were often inefficient, suffering from highly centralized decision-making, wide fluctuations in allocations, and poor motivation of workers. Private providers were more technically efficient and offer a service that is perceived to be of higher quality. Quality of care was also claimed to be low, patient waiting times were long and medical consultations were short, misdiagnosis and inappropriate treatment were also said to be common. Also, public sector was said to have suffered from serious shortages of drug and equipment, and purchasing brand-name pharmaceuticals instead of generic drugs was one of the main reasons for wasting the money spent on health.

Treatment

As a comprehensive treatment plan to the structural problems diagnosed, defining the costs as a first priority, and letting the stage to another actor, private sector, were proposed (World Bank, 1993). According to the report, government policies for improving health had to change in ways summarized below:

- Cost-effectiveness was presented as the main tool for choosing among possible health interventions and addressing specific health

problems, and disability-adjusted life years (DALY) as the measure of burden of diseases.

- Governments were recommended to decide their countries' health priorities and resource allocation policies according to cost-effectiveness and DALY. Less cost-effective services such as tertiary care, heart surgery, treatment of highly fatal cancers, expensive drug therapies for HIV, and intensive care for severely premature babies should not be paid by government; because "it is hard to justify using government funds for these medical treatments at the same time that much more cost-effective services which benefit mainly the poor are not adequately financed" (World Bank, 1993).

- Only a minimum package of essential services, which only covers five groups (services to ensure pregnancy-related care, family planning services, tuberculosis control, control of STDs, and care for the common serious illnesses of young children), should be paid by the government, while the rest of the health system becomes self-financed.

- Charging user fees, strengthening the legal and administrative systems for billing patients and collecting revenues are the proposed ways for ensuring cost-effective clinical care.

- When well informed, households should buy healthcare with their own money and, may do this better than governments can do it for them.

- Greater reliance on the private sector to deliver clinical services would raise efficiency.

- Governments should privatize the healthcare services, by selling the public goods and services, buying the services from the private sector, and supporting the private sector with subsidies. Unnecessary legal and administrative barriers private doctors and pharmacies face need to be removed.

- Government financing of public health and essential clinical services would leave the coverage of remaining clinical services to private finance, usually mediated through insurance.

- Governments need to promote competition in the financing and delivery of health services, because it improves quality and drive down costs in the supply of health services and inputs, particularly drugs, supplies, and equipment. Exposing the public sector to

competition with private suppliers can help to spur such improvements.

- There is also considerable scope for improving the quality and efficiency of government health services through a combination of decentralization, and performance-based incentives for managers and clinicians. In the long run, decentralization can help to increase efficiency.

- On the other hand, government regulation is also crucial, because:

- Private markets alone provide too little of the public goods crucial for health, such as control of contagious diseases.

- Private markets will not give the poor adequate access to essential clinical services or the insurance often needed to pay for such services.

- Government action may be needed to compensate for problems generated by uncertainty and insurance market failure.

- Safety and quality of privately delivered health services should be ensured.

Regarding pharmaceuticals, it was maintained that governments pay too much for drugs of low efficacy, and drugs and supplies are stolen or go to waste in government warehouses and hospitals. Competition should have been introduced in the procurement of drugs. National essential drug lists, consisting of a limited number of inexpensive drugs that address the important health problems of the population, should also be developed, and used to guide the selection and procurement of drugs for the public sector. In other words, the other drugs should not be reimbursed.

Besides, intellectual property rights (IPR) in pharmaceutical sector should be protected by specific international agreements (e.g. TRIPS), and bilateral, regional and international free trade agreements (e.g. NAFTA) in order to ensuring the continuing and widespread availability of pharmaceuticals. Patents, data protection and data exclusivity were defined as the main tools implemented for protecting IPR (World Intellectual Property Organization, 2004; WTO, 1994).

Decreased access and equity

Neoliberal policies in healthcare are heavily criticized as it has misdiagnosed the problems and its treatment led to a much worse situation. Shrinking from welfare state to minimum liberal state, retreating from most of the public services and letting the area to irrationality of market dynamics is making pharmaceutical, medical technology, insurance, and law companies the lead actors. It is claimed that a system provides services according ability to pay rather than healthcare need decreased the availability and accessibility to services (Danis et al., 2008; Janes et al., 2006; Unger et al, 2008). The reduction of public services to a minimum and the cessation of less cost-effective treatments impairs accessibility among poor and working people; this therefore infringes on the right to access to needed healthcare. IPR agreements decrease healthcare access (Ezeonu, 2008). Irrational prescribing, unethical practices, and increased health expenditures related to aggressive marketing of pharmaceutical companies were another factors limiting access.

Leaving the provision of services to market dynamics increased inequalities (Fins, 2007; Janes et al., 2006; Navarro, 2007). Privatization concentrates wealth in fewer entities and the public must then pay more out of its own pocket (Martinez & Garcia, 2001). Privatization also transfers to the public healthcare sector higher-risk patients, further degrading the quality of public healthcare services (Muntaner et al., 2006). Overall, access to healthcare services is improved neither by the conversion of public insurance to private insurance, nor by the expansion of private insurance (Waitzkin et al., 2007). The exclusion of higher-risk patients from the private healthcare sector means that privately insured health consumers effectively relegate the public sector to serving exclusively the poor (Foster, 2005). User choice among hospitals is fictitious, as hospitals that cater to the wealthy and middle class largely exclude the poor (Homedes & Ugalde, 2006). Given equal healthcare requirements, the wealthy visit doctors more frequently than lower-income groups (Dahlgren, 2008).

Inequalities in Health

Health inequalities can be defined as differences in health status or in the distribution of health determinants between different population groups. Health inequalities are in many cases related to access to health care. In industrialized nations, health inequalities are most prevalent in countries that have not implemented a universal health care system, such as the United States. Because the US health care system is heavily privatized, access to health care is dependent upon one's economic capital; Health care is not a right, it is a commodity that can be purchased through private insurance companies (or that is sometimes provided through an employer). The way health care is organized in Africa today contributes to health inequalities based on gender, socioeconomic status and race/ethnicity.

In each African country, the income of those at the top has increased spectacularly as a result of state interventions. Consequently, we need to turn to some of the categories and concepts discarded by large sectors of the left: class structure, class power, class struggle, and their impact on the state. These scientific categories continue to be of key importance to understanding what is going on in each country. Let me clarify that a scientific concept can be very old but not antiquated. "Ancient" and "antiquated" are two different concepts. The law of gravity is very old but is not antiquated. Anyone who doubts this can test it by jumping from the tenth floor. There is a risk that some sectors of the left may pay an equally suicidal cost by ignoring scientific concepts such as class and class struggle simply because these are old concepts. We cannot understand the world (from Iraq to the rejection of the European Constitution) without acknowledging the existence of classes and class alliances, established worldwide between the dominant classes of the developed capitalist world and those of the developing capitalist world. Neoliberalism is the ideology and practice of the dominant classes of the developed and developing worlds alike.

But before we jump ahead, let's start with the situation in each country. Neoliberal ideology was the dominant classes' response to the considerable gains achieved by the working and peasant classes between the end of the Second World War and the mid-1970s. The huge increase in inequality that has occurred since then is the direct

result of the growth in income of the dominant classes, which is a consequence of class-determined public policies such as: (a) deregulation of labor markets, an anti-working-class move; (b) deregulation of financial markets, which has greatly benefited financial capital, the hegemonic branch of capital in the period 1980–2005; (c) deregulation of commerce in goods and services, which has benefited the high-consumption population at the cost of laborers; (d) reduction of social public expenditures, which has hurt the working class; (e) privatization of services, which has benefited the richest 20 percent of the population at the expense of the well-being of the working classes that depend on public services; (f) promotion of individualism and consumerism, hurting the culture of solidarity; (g) development of a theoretical narrative and discourse that pays rhetorical homage to the markets, but masks a clear alliance between transnationals and the state in which they are based; and (h) promotion of an anti-interventionist discourse in clear conflict with the actual increased state interventionism to promote the interests of the dominant classes and the economic units—the transnationals—that foster their interests. Each of these class-determined public policies requires a state action or intervention that conflicts with the interests of the working and other popular classes.

The African regional health report bears this trend out. *The Health of the People* is the first report to focus on the health of the 738 million people living in the African Region of the World Health Organization. According to the 2006 report, Africa confronts the world's most dramatic public health crisis, such as the high rate of maternal and newborn mortality overall in the Region. Of the 20 countries with the highest maternal mortality ratios worldwide, 19 are in Africa; and the Region has the highest neonatal death rate in the world. Then there is the strain on African health systems imposed by the high burden of life-threatening communicable diseases coupled with increasing rates of noncommunicable diseases such as hypertension and coronary heart disease. Basic sanitation needs remain unmet for many: only 58% of people living in sub-Saharan Africa have access to safe water supplies.

Noncommunicable diseases, such as hypertension, heart disease, diabetes and are on the rise; and injuries remain among the top causes of death in the Region. The report stresses that Africa can move forward on recent progress only by strengthening its fragile health systems. The question now is: with what resources? Neoliberal policies in Africa have substituted new values into healthcare, while removing the traditional ones. Such a fundamental substitution undermines the basic principles of African social solidarity, central to the ethics of fairness and equity (Janes et al., 2006), and eliminates the concept of ‘the public good’ or ‘community’, replacing it with ‘individual responsibility’ (Martinez & Garcia, 2001).

Conflictive Alliance of Dominant Classes against Dominated Ones

Neoliberalism holds to a theory (though not necessarily a practice) that posits the following:

1. The state (or what is wrongly referred to in popular parlance as “the government”) needs to reduce its interventionism in economic and social activities.
2. Labor and financial markets should be deregulated in order to liberate the enormous creative energy of the markets.
3. Commerce and investments should be stimulated by eliminating borders and barriers to allow for full mobility of labor, capital, goods, and services.

Following these three tenets, the world has seen that the worldwide implementation of these practices has led to the development of a “new” process: a globalization of economic activity that has generated a period of enormous economic growth worldwide, associated with a new era of social progress. The pertinent question is: who are the beneficiaries and victims of this so-called “enormous economic growth”? Which classes benefit and which ones lose?

It has become part of the conventional wisdom that the primary conflict in the world is between the rich North and the poor South. The North and the South, however, have classes with opposing interests that have established alliances at the international level. This situation became clear to me when I was advising President Allende in

Chile. The fascist coup led by General Pinochet was not, as was widely reported, a coup imposed by the rich North (the United States) on the poor South (Chile). Those who brutally imposed the Pinochet regime were the dominant classes of Chile (the bourgeoisie, petit bourgeoisie, and upper-middle professional classes), with the support not of the United States (U.S. society is not an aggregate of 240 million imperialists!) but of the Nixon administration, which was, at that time, very unpopular in the United States (having sent the army to put down the coalminers' strike in Appalachia).

A lack of awareness of the existence of classes often leads to condemnation of an entire country, frequently the United States. But, in fact, the U.S. working class is one of the first victims of U.S. imperialism. Some will say that the U.S. working class benefits from imperialism. Gasoline, for example, is relatively cheap in the United States (although increasingly less so). It costs me thirty-five dollars to fill my car in the United States and fifty-two euros to fill the same model in Europe.

But, by contrast, public transportation is practically nonexistent in many regions of the United States. The working class of Baltimore, for example, would benefit much more from first-class public transportation (which it does not have) than having to depend on cars, whatever the price of gasoline. And let's not forget that the energy and automobile industry interests have been major agents in opposing and destroying public transportation in the United States. The U.S. working class is a victim of its nation's capitalist and imperialist system. It is not by chance that no other country in the developed capitalist world has such an underdeveloped welfare state as the United States. More than 100,000 people die in the United States every year due to the lack of public health care.

The tendency to look at the distribution of power around the world while ignoring class power within each country is also evident in the frequent denunciations that the international organizations are controlled by the rich countries. It is frequently pointed out, for example, that 10 percent of the world population, living in the richest countries, has 43 percent of the votes in the IMF, but it is not true that the 10 percent of the population living in the so-called rich countries

controls the IMF. It is the dominant classes of those rich countries that dominate the IMF, putting forward public policies that hurt the dominated classes of their own countries as well as of other countries. The director of the IMF, for example, is Rodrigo Rato, who while Spain's economy minister in the ultra-right government of José María Aznar (who partnered with Bush and Blair to support the Iraq war) carried out the brutal austerity policies that severely reduced the standard of living of the Spanish popular classes (Vincent Navarro, "Who is Mr. Rato?" *Counterpunch*, June 2004).

Let me also clarify another point. Much has been written about the conflict within the WTO between rich and poor countries. The governments of the rich countries, it is said, heavily subsidize their agriculture while raising protective barriers for industries such as textiles and foods that are vulnerable to products coming from the poor countries. While these obstacles to world trade do indeed adversely affect poor countries, it is wrong to assume that the solution is freer worldwide trade. Even without the barriers, the higher productivity of the rich countries would guarantee their success in world trade.

What poor countries need to do is to change from export-oriented economies (the root of their problems) to domestic-oriented growth—a strategy that would require a major redistribution of income and is thus resisted by the dominant classes of those (and of the rich) countries. It is extremely important to realize that most countries already have the resources (including capital) to break with their underdevelopment. Let us quote from an unlikely source *The New York Times*, on September 12, 1992 (when the population explosion was held to be the cause of world poverty), published a surprisingly candid assessment of the situation in Bangladesh, the poorest country in the world. In this extensive article, Ann Crittenden touched directly on the root of the problem: the patterns of ownership of the production asset—the land:

"The root of the persistent malnutrition in the midst of relative plenty is the unequal distribution of land in Bangladesh. Few people are rich here by Western standards, but severe inequalities

do exist and they are reflected in highly skewed land ownership. The wealthiest 16% of the rural population controls two thirds of the land and almost 60% of the population holds less than one acre of property”.

Is the solution technological? Quite to the contrary, technology can make things even worse in that the new agricultural technologies being introduced have tended to favor large farmers, putting them in a better position to buy out their less fortunate neighbors through the process of accumulation by dispossession. This situation persists because with the government dominated by landowners—about 75% of the members of the Parliament hold land—no one foresees any official support for fundamental changes in the system. As if this were not enough impunity against the people of Bangladesh in the U.S. State Department’s classification of political regimes, the country is placed in the democratic column.

Meanwhile, hunger and underweight are the primary cause of child mortality in Bangladesh. The hungry face of a child in Bangladesh has become the most common poster used by many charitable organizations to shame people in developed countries into sending money and food aid to Bangladesh. With what results?

Food aid officials in Bangladesh privately concede that only a fraction of the millions of tons of food aid sent to Bangladesh has reached the poor and hungry in the villages. The food is given to the Government, which in turn sells it at subsidized prices to the military, the police, and the middle class inhabitants of the cities. The class structure of Bangladesh and the property relations that determine it are the causes of the enormous poverty. As Ann Crittenden concludes:

Bangladesh has enough land to provide an adequate diet for every man, woman and child in the country. The agricultural potential of this lush green land is such that even the inevitable population growth of the next 20 years could be fed easily by the resources of Bangladesh alone. Ironically, Bangladesh has been much in the news as having undergone high economic growth due primarily to its exports in the world market. But that growth has been limited to a small, export-oriented sector of the economy and has left untouched the majority of

the population. Malnutrition and hunger, meanwhile, have increased. This Bengali situation is identical with that in Somalia.

States and Class Alliances

In the establishment of class alliances, North or South states play a key role. U.S. foreign policy, for example, is oriented towards supporting the dominant classes of the South (where, incidentally, 20 percent of the world's richest persons live). These alliances include, on many occasions, personal ties among members of the dominant classes. Examples are many—among them, the traditional support of the Bush family for the Middle East feudal regimes; Clinton's support for the United Arab Emirates (UAE), one of the major supporters of the Clinton Library in Little Rock, Arkansas, and a major donor to Clinton in speaking fees (up to a million dollars) and to causes favoring Clinton (*Financial Times*, March 4, 2006). The UAE is one of the world's most oppressively brutal regimes.

The dominant classes deny citizenship to 85 percent of the working population (called "guest workers"). Needless to say, international agencies (heavily influenced by the U.S. and European governments) promote such alliances based on the neoliberal rhetoric of free markets. Cutting social public expenditures, advocated by the IMF and the World Bank, is part of the neoliberal public policies pushed by the dominant classes of both the North and South at the expense of the well-being and quality of life of the dominated classes throughout the world. In all these examples, the states of the North and the South play a critical role.

Another example of alliances among dominant classes is the current promotion of for-profit health insurance by the Bush administration, both to the U.S. population and, increasingly, to the developing world. This is done with the advice and collaboration of conservative governments in Africa and Latin America on behalf of their dominant classes, which benefit from private insurance schemes that select clientele and exclude the popular classes. Those popular classes, in the United States, Africa and Latin America, profoundly dislike this push toward for-profit health care. The fact that the

dominant classes in the developed and developing countries share class interests does not mean they see eye-to-eye on everything. They have major disagreements and conflicts (just as there are disagreements and conflicts among the different components of the dominant classes in each country. But these disagreements cannot conceal the commonality of their interests as clearly exposed in the neoliberal forums (such as at Davos) and neoliberal instruments that have a hegemonic position (such as the *Economist* and the *Financial Times*).

Political ambiguities of anti-neoliberalism

Why do these arguments matter if we are all agreed that marketization, privatization and precariousness are bad things? They matter because mis-analysis leads to serious mistakes when it comes to fighting back. If the center of accumulation has moved from day to day exploitation to “dispossession”, then the focus of the fight shifts from the working class to struggles of those who are marginal to the productive process. The shift in focus is further reinforced if almost all jobs are seen as precarious, with employers being able to dismiss any workers who rebel. This is what Harvey seems to be arguing when he writes that in the post-1973 world “accumulation by dispossession moved to the fore as the primary contradiction within the imperialist organization of capital accumulation” (Harvey 2003: 172).

Such an analysis puts a stress on “social movements” as opposed to class movements. There is a confusion in the use of the term “social movements” in some European countries because it lumps together struggles waged along class lines against exploitation with those against oppression and war that appeal, to some extent, across class lines. The writers who have gone furthest in drawing such a conclusion are Laclau and Mouffe who write that the “over determination assumed by social struggles in the third world” involves “the construction of political identities having little to do with strict class boundaries” (1985: 13). Harvey resists this conclusion, at points insisting that class is central to resistance, but his theoretical framework leaves it open to an interpretation little different from that of Laclau and Mouffe. This has important practical implications.

Struggles of social movements tend to rise rapidly and then fall back just as rapidly precisely because they are not based on those whose position within the structures of capitalist production binds them together organically and provides them with the power to confront the system. As the saying goes, social movements “rise like a rocket and fall like a stick”. What are left behind are skeleton organizations that are too weak to achieve their goals. Those involved are then all too easily tempted to conclude that a struggle cannot lead to victory, and to put their faith in reforms within the existing society, whether through old style reformist and populist parties or through NGOs.

Instructive in this regard are the arguments used by Fausto Bertinotti (2004) of Rifondazione Comunista in Italy to justify his turn to a government coalition with the pro-capitalist “center-left” led by Romano Prodi. His turn came as the wave of demonstrations that occurred between the Genoa G8 protest (July 2001) and the start of the Iraq war (March 2003) began to decline, and in the wake of the failure to gain enough votes in a referendum on workers’ rights for it to pass into law. He painted a picture of the popular movements in Italy risking devastating defeats because precariousness had sapped people’s capacity to fight back:

The basic thing that characterizes neoliberal globalization is precariousness. It conditions the time devoted to labor and life, the relations of production and social relations, and which even penetrates into attempts to modify the people’s lives.

What was involved in Rifondazione’s shift was not just the capitulation – or betrayal – of one individual. Crucial was his capacity to convince many thousands of activists to accept his arguments. This was possible because Rifondazione’s activists had long been influenced by certain autonomist and Eurocommunist ideas that held that the working class’s strength had been damaged permanently by the mobility of capitalism and the “deindustrialization” and “precarity” it produced.

Social movements were seen as the only way forward, and when they went into decline the only hope seemed to be entering a government which might make at least a little turn away from

“neoliberalism”. Much the same happened to some of the semi-autonomist left in Argentina after the great revolt of December 2001 to January 2002. Once the great upsurge of the social movements of *piqueteros* and the popular assemblies died down, the easy option seemed to be to work with the Kirchner government as it made its turn away from the radical version of neoliberalism of the previous decade. (See Fausto Bertinotti, *15 Tesi per il Congresso di Rifondazione Comunista*, Liberazione, 12 September 2004 (my translation).

Such shifts, from radical opposition to working through parties and governments that try to manage the system for capitalism, are encouraged by the notions of a “good” “Keynesian” version of capitalism and a “bad” “neoliberal” one—or the parallel contrast between “finance capital” that does not care for workers and “productive capital” that supposedly does. The reality is that capital uses the state as much today as it did in the heyday of “Keynesianism”—indeed, even more so, insofar as it is faced with more crises needing intervention. Neoliberalism as an ideology does not guide practice when it comes to this matter. The difference with the post-war decades is that capital is anxious to cut back on many of the positive reforms it granted in a more profitable era, and states respond accordingly.

It is this which leads to the ambiguities in the use of the term “neoliberalism” by the left. The term can be used simply to designate the negative features of many governmental measures in the present phase of the system—the anti-reforms that have replaced the positive reforms it was possible to extract from capital without a great deal of struggle from the late 1940s to the mid-1970s. But the term can also be used to reinforce the illusion that minor changes in the running of parts of the system are all that is necessary to improve the situation of the mass of people. By the same token, those who see their fight as an “anti-neoliberal” one can move on to see it as “anti-capitalist”, but they can also slip back into conciliation with the system. Rhetoric and slogans have a role in politics, especially in democratic politics, but they are not a substitute for clarity about the enemy and how to fight it. And all clarity is needed as the competitive pressures on national

states and capitalist firms in a period of recurrent crises leads to more attacks on the wage, the social wage, working conditions and jobs.

Ambiguities and Neoliberal Democratic Mirage

Neo-liberalism's one-size-fits-all dogmas are well known: deregulation, reducing the role of the State, privatization, limiting inflation rather than unemployment, etc. In other words, depoliticizing the economy and putting it into the hands of the financial class. And these dogmas are gradually settling into our consciousness because they're being broadcast across a vast and pervasive network of propaganda.

The neo-liberal *Internationale* is also made up of a vast, complex and inextricable network that makes its polymorphous voice heard simultaneously in all conceivable arenas: think tanks, educational systems, media, political parties, financial markets, intergovernmental organizations (International Monetary Fund, World Bank, the Organization for Economic Cooperation and Development, World Trade Organization, etc.), transnationals, pension funds and other investment organizations (insurance companies, banks, mutual funds, etc.), partnership unions, etc. Each link in this vast chain relays said doctrine to another link or else directly to the public. The circulation of neo-liberal ideology through all possible modes of dissemination affords it a certain "monopoly on appearances" (as Guy Debord words it) that ensures its perpetuation and facilitates mass indoctrination. It has become inescapable.

First, by releasing this inescapable and constant flow of propaganda, neo-liberal ideologists cater to the powerful. Second, by denouncing the inefficiency of government and social programs, glorifying the efficiency and infallibility of markets, singing the praises of competition, social inequality and the right to private property—which they claim takes precedent over all other rights—they legitimize the reforms that keep the propertied class in power. Such reforms have been adopted in spades around the world since the early 1980s and are still in progress, despite of a world economic crisis that demonstrates the now-literal bankruptcy of the neo-liberal system. In the West, such

reforms have led nations to abandon entire segments of their economy.

From the autonomy of central banks directed by unelected officials (who nevertheless set their State's monetary "policy") to the rampant privatization of public health, education, transportation, energy and natural resources, etc., everything has been done to take the citizens' control over their economic destiny out of their hands. And in developing countries, the situation is much worse. The IMF and World Bank, key links in the neo-liberal network, have, through their structural "adjustment" plans, implemented sets of reforms that have devastated entire countries, bleeding them dry. Most of humanity has thus helplessly witnessed the establishment of a new form of colonialism that, while feigning altruism, carries out phenomenal plundering. Praise be the virtues of free trade; on with the veritable extortion of the natural resources of huge territories and the subjugation of entire populations. And this is how thought and democracy, trapped from all directions by propaganda and reform, have been netted by neo-liberalism. Hence, neoliberal democracy is a mirage whose veil must be lifted.

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A Critique of Market-Driven Democracy

Overview

If we take seriously the ideology, arguments and values now emanating from neoliberalized globalizers, there is no room in the African continent, or elsewhere on earth, for a democracy in which the obligations of citizenship, compassion and collective security outweigh the demands of what might be called totalizing market-driven society; that is, an African society that is utterly deregulated, privatized, commodified and largely controlled by the ultra-rich and a handful of mega corporations and their local allies. In such a society, there is a shift in power from government to markets and the emergence of a more intensified political economy organized around three principal concerns: deregulated markets, commodification and disposability.

Introduction

A distinctive feature of the contemporary period of globalization is a powerful trend towards marketization in many regions of the world. Africa has not been spared of this rife marketization. The term “marketization” refers both to market ideologies and market-oriented reforms. A market ideology reflects the belief that markets are of superior efficiency for the allocation of goods and resources. In its most extreme form, this belief is associated with the commodification of nearly all spheres of human life. Market-oriented reforms are those policies fostering the emergence and development of markets and weakening, in parallel, alternative institutional arrangements. During the last decades of the twentieth century, the dominant market-oriented reform mix has included macroeconomic stabilization, privatization, deregulation, liberalization of foreign trade and liberalization of international capital flows (Simmons et al. 2003: 1, 51, 410-1, 418).

Since the early 1980s, market ideology and market-oriented policies have spread fast and wide around the globe. Africa was not left out. Markets, the argument goes, are better at allocating resources and producing wealth than bureaucracies, cartels or governments. Furthermore, the global diffusion of marketization has had an impact well beyond the traditional boundaries of the economy. Marketization implies a redefinition of economic rules of the game but also a transformed perspective on the political structure, states, regulation and their role. Marketization is questioning all forms of protective boundaries and barriers and having an impact, as a consequence, on social, political, cultural and legal policies (Collectif Dalloz 2004).

Two visions of market economy

The end of the 1980s marked the fall of communism in Central and Eastern European (CEE) countries. The countries of this region started a complex transition: it was not only a political reform, as in the case of the Latin American transitions to democracy; it was rather a holistic reform, a radical social change. It was a viral transition that did not only engulf Central and Eastern Europe but also Africa. The transition required structural changes in both the political, economic, and social domains of the society, and a transition that was going to last quite a long time: “[...] the political transition [...] takes a relatively short time. However, it may be several years before this framework operates smoothly and appropriately. The second process is the economic transition, the change from a command economy, controlled by the single ruling party, to a market economy operating with a money mechanism, with the absolute majority of private ownership. This is more difficult and complicated. Finally, the third process is the cultural change and the development of civil society, which takes an even longer time” (Vitányi, 1999: 187-188).

This dilemma of simultaneity, the establishment of both democracy and market economy at the same time, represented the main characteristic of the post-single-party or military dictatorships in the case of Africa transitions (Schopflin 1994 and Offe 1997). It was, at the same time, the main argument for a series of warnings regarding

the chances of success of the transitions (see, for instance, Przeworski 1991, 1997 and Diamond 1992; Haggard and Kayfman 1995; Nelson 1995). Fortunately, in most cases these grim predictions have been disproved: “amazingly little resistance from below has come to those reforms that have been instituted” (Hall, 1995: 89). The only negative effect of the transitions, from this perspective, is that the transition to democracy has been complicated and prolonged by the transition to market economy.

The economic transformations had a paramount role in the transitions. The Washington Consensus, although initially designed for the Latin American context, once applied to the Central and Eastern European countries has linked democracy and market economy as two inseparable goals for African countries, suggesting that one cannot have democracy without a market economy. It should be noted that the most important international financial institutions (especially the International Monetary Fund) have consistently conditioned their assistance to Africa on the implementation of the economic and fiscal reforms they suggested (Williamson (1990, 2000).

Capitalism, it was often recognized in the literature, “is fundamentally inconsistent with democracy, but capitalism is the only economic order that has so far proved to be consistent with polyarchy” (Dahl, 1996). Democracy and market economy cannot be analyzed separately in this transitional context: “one of the most delicate sets of conditions for the success and sustainability of democracy relates to socio-economic problems. Democracy in Africa cannot therefore be treated in isolation from other social and economic processes” (Simai, 1999: 44). These African countries were offered a “package” deal: either both democracy and market economy or none. As Centeno argued, “the question should not be whether a particular nation is ready for democracy or the market, but how a minimal social consensus develops about the rules involved in both. [...] less attention has been paid to the process of creating the imagined community that could manage the transition” (Centeno, 1994: 139). This explains how and why the nemesis of the dilemma of simultaneity has caught up with Africa as demonstrated by the Arab Spring (Tunisia and Egypt), new coups d’état (Mali and Central African

Republic), subtle return to autocratic rule (Uganda and Rwanda), institutionalization of dynasties (Togo, Kenya and Gabon), religious-inspired and electoral violence (Nigeria and Cote d'Ivoire), just to name a few. We now turn to examine the values of the marketplace and the egalitarian values of democracy, democratic capitalism, which is trumpeted to maximize social welfare by making the market more humane and the government more efficient.

Democratic Capitalism: A Conceptual Critique

The concept of democracy has become tarnished in recent years, as governments become disconnected from voters and pursue unpopular policies. And yet the ideal of democracy continues to inspire movements around the world, such as the Arab Spring. Economic globalization enthusiasts like Bill Clinton, Madeline Albright, Tony Blair, *New York Times* foreign policy columnist Thomas Friedman, and the unelected officials of the World Trade Organization repeat a classic Cold War mistake by claiming that globalization is advancing two sides of the same historical coin: capitalism and democracy or democratic capitalism. One does not have to be a Marxist or other variety of radical to acknowledge basic differences and fundamental conflicts between these falsely conflated phenomena.

Democratic capitalism is a complex concept consisting of three dynamic and converging systems. The economy is based on a substantially competitive market system, private ownership, and economic freedom. The political system is based on consent by the people, limited government power, a reliance on checks and balances, and a legal order that protects individual rights and voluntary exchange. Economic and political freedoms are inextricably linked in democratic capitalism. The ideas of a market economy and political democracy stem from the same reasoning and the same moral-cultural values, institutions, and assumptions. Both the economic sector and the political sector affect and are affected by the moral-cultural sphere, which reflects ideals such as freedom, justice, productivity, and hard work.

Democratic capitalism, the cornerstone of American society, is far more than an economic system: it is a dynamic complex of economic, political, moral-cultural, ideological, and institutional forces. This article provides an introduction to the fundamental concepts that inform American democratic capitalism, concepts that have evolved over centuries in such disciplines as philosophy, economics, law, history, political science and sociology. The survival of democratic capitalism may be in jeopardy unless we understand and appreciate its conceptual foundations. The complex interaction among its various concepts would render a discrete analysis of democratic capitalism superficial. Thus, our approach is conceptual, and stresses the complex, interrelated elements of this politico-economic system.

According to Michael Novak (1982, 1993), democratic capitalism is an amalgam of three systems: (1) an economy based predominantly on free markets and economic incentives; (2) a democratic polity; and (3) a classical-liberal moral-cultural system which encourages pluralism. The free market creates an intricate web of supply and demand relationships and fosters economic growth, social mobility, and innovation. Political liberty allows for a constitutional system of government in which both individuals and groups are represented. The moral-cultural sphere, which includes values such as a work ethic, individual initiative, honesty, and respect for private property, is supported by the mediating institutions of family, church, and numerous other voluntary associations.

Under this system of natural liberty, we are free to form innumerable voluntary associations such as the corporation and the labor union. Our political system assumes pluralism, recognizes that individuals have differing opinions and interests, and allows them to associate freely in order to further those interests. Pluralism's dynamic multiple groups function to balance and check power. Capitalism is an economic system characterized by freedom of thought and voluntary action creatively applied to production; it is based on private property rights, economic justice, the profit motive, competition, a division of labor, and requisite social cooperation. Democracy is based on the principles of consent and political equality, and may be defined as a political system in which governments are established by majority votes

cast in regular, uncoerced elections. It is often argued that capitalism is a necessary but not a sufficient condition of democracy since democracy requires basic economic rights that are separate from the state (Usher,1981;Berger,1986;andArthur,1992).

From a conceptual and deductive perspective, philosophy precedes and determines politics which, in turn, precedes and determines economics. For example, philosophers such as John Locke, David Hume, Baron de Montesquieu, and Adam Smith exerted a profound influence on the thinking of James Madison, John Adams, Thomas Jefferson, and other architects of the U.S. Constitution. The resulting political system allowed for the development of free-market capitalism. The Founders clearly understood that economic freedom is necessarily linked to political freedom. Competition turns self-interest toward efficiency, fosters voluntary social cooperation through mutually beneficial exchanges, and thereby maximizes social welfare. Thus, self-interest can, and frequently does, contribute to economic abundance, political liberty, and a free pluralistic culture. This, precisely, is Adam Smith's "invisible hand" in action.

Freedom- The Key Concept

Democracy is one of the key words of contemporary ideological discourse. As it is known today, this ideological discourse has European origins. The great western conflation of democracy with capitalism originated with the crisis of European feudalism and the great European and North American bourgeois revolutions of the 17th to 19th centuries. It reached its officially disseminated pinnacle with the Cold War, when U.S. propaganda proclaimed an all-or-nothing global division and struggle between "free world" capitalism headquartered in Washington, DC and expansionist "communist" totalitarianism headquartered in Moscow. This Cold War doctrine provided ideological cover for U. S. sponsorship of numerous pro-capitalist / pro-globalization dictatorships throughout the world. It also disguised the real nature of leading First World states. Beneath outwardly democratic political processes and generally strong civil liberties, those states were fundamentally subject to the command of centralized,

hierarchical corporate power and great monied wealth-a condition that persists until today.

Integral to the American political ethos is the belief that human beings, by virtue of being human, possess the capacity to exercise free will and have an inalienable right to do so. One is free to own property, choose a career, worship, speak, travel, promote and protect our self-interest, contract, compete, create, associate with others, etc. But the American concept of freedom is not absolute. The notion of ordered freedom, freedom under the law, derives the intelligibility of the free act from reason, law, duty, responsibility, reflection, and a rightly ordered conscience. Real freedom is the ability to do what is right-not the license to do wrong (Adler 1958; Meyer 1962 and Douglas 1964).

The liberal conception of freedom is circumscribed by laws, regulations, and customs. In securing individual freedom, liberals find it necessary to restrict certain behaviors that impinge upon the freedom of others. In any liberal society, freedom to act (i.e., *substantive* freedom) depends upon freedom from inhibiting factors (i.e., *procedural* freedom). When people are free to work and keep the fruits of their labor, they are being treated justly. Justice is the virtue of granting each person his due. As people recognize that rewards depend on their efforts and outputs, their incentives to produce grow stronger. The virtues of freedom, justice, and productivity cannot be separated. True freedom of association is possible only in an open society. Natural associations, such as the family and the state, are necessary for civilized human existence. Other forms of association, such as the corporation and labor union, develop from the peculiar needs of their participants (Eells and Walton 1974:89-119; Richard 1965). Let us revisit competition as freedom in capitalism. The object of the competition-analysis is the forms of consciousness and action of the individuals on the surface of capitalist economy. The characterization of this object as surface is already a reference to the fact that here it is not a matter of an autonomous object which is immediately accessible to analysis. The capital-analysis constitutes the necessary systematic prelude to the analysis of competitive freedom. The essential relations of production, the bourgeois economic categories which are foreign to

everyday consciousness, now assume forms of appearance which mask the pre-given economic objectivity and which, as forms of action and consciousness, are near to the familiar conceptions of everyday consciousness. The imaginary character of these surface relations as independent social forms should be demonstrated through the construction of an inner connection with the categories expressing the abstract-universality of the capitalist mode of production. In particular, the way in which the total movement of valorization proceeds through the opposed strivings of the subjects of competition is to be explained.

The competition and capital-analyses are complementary not only from the side of the former, but also from the side of the capital-analysis. The latter operates with a reduced concept of subjectivity; the economic actors appear there merely as the representatives of economic categories, who fulfill roles which are adequate to and identical with aspects of the total valorization process of capital (Poulantzas 1975). If terms of intentionality - aims, means, etc., i.e. a terminology of subjectivity - are employed in the capital-analysis, it must be understood that this is the surrogate subjectivity of executors of an economic process which asserts itself in conceptual categories foreign to the conceptions of the subjects of everyday economic life. For this reason, one can refer to the actors in the capital-analysis as character-masks.

On the level of the competition-analysis, by contrast, forms of subjectivity are thematized which correspond to everyday notions. Here it is a matter of the pursuit of individual aims with appropriate means. The means, property, are well-known to everyday consciousness as is the struggle which results from the implementation of these means. The concepts formed of these well-known phenomena however are alien to everyday consciousness. The concepts of the competition-analysis reveal the underlying connection existing between the competitive struggle and the process of the value totality; the freedom of private property turns out to be based on an inversion (*Umkehrung*) of (competition) subject and (value-form) object. The subjects of competition who appear in the competition-analysis are not to be identified with subjects *per se*. The concept of subjectivity on the level of competition remains restricted to the pursuit of economic

interests. In this sense, the subjects of competition remain economic character-masks.

The subjects of competition remain economic character-masks in that the range of choice open to the individual is not the decisive factor in determining the degree of his human freedom, but *what* can be chosen and what *is* chosen by him. For example, free election of masters does not abolish the master or the slaves. Free choice among a wide variety of goods and services does not signify freedom if these goods and services sustain social controls over a life of toil and fear. Thus what a liberal regards as political emancipation is really the perfection of his slavery.

But in the truncated notion of freedom espoused by the extremists of a market-driven society, democracy is a deficit, if not pathology, and freedom is reduced to the narrow logic of an almost rabid focus on self-interest. This is a truncated version of freedom, defined largely as freedom from constraint - a freedom which, when not properly exercised or balanced, loses its connection to those obligations that tie people to values, issues and institutions that affirm “the existence of a common good or a public purpose” (Movers2009). This type of depoliticizing inward thinking with its disavowal of the obligations of social responsibility and its outright disdain for those who are disadvantaged by virtue of being poor, young or elderly does more than fuel the harsh, militarized and hyper-masculine logic of reality television and extreme sports; it also elevates death over life, selfishness over compassion and economics over politics. But more so, it produces a kind of dysfunctional silence in the culture in the face of massive hardship and suffering. There is more than moral indifference and political cynicism at work here; there is also a culture for which there is not much room for ideals, a culture that now considers public welfare a pathology, and responsibility solely a privatized and individual matter. This is a politics of disinvestment in public life, democracy and the common good.

Corporations and Labor Unions

The relation between corporate capital and labor unions today is complex. The dismantling of the welfare state means that the social

structure is more polarized: between low-paid or unemployed public employees in health, education, social security on the one hand and on the other hand, well-paid professionals linked to multinational corporations, NGOs and other externally financed institutions linked to the world market and centers of political power. The struggle today is not only between classes in factories but between the state and uprooted classes in the streets and markets displaced from fixed employment and forced to produce and sell and bear the costs of their social reproduction. Integration into the world market by elite exporters and medium and small *compradores* (importers of electronic goods, tourist functionaries of multinational hotels and resorts) has its counterpart in the disintegration of the economy of the interior: local industry, small farms with the concomitant displacement of producers to the city and overseas.

The import of luxury goods for the upper middle class is based on the earnings remitted by “exported” labor of the poor. The nexus of exploitation begins in the impoverishment of the interior, the uprooting of the peasants and their immigration to the cities and overseas. The income remitted by “exported labor” provides hard currency to finance imports and neo-liberal infrastructure projects to promote the reign of domestic export and tourist businesses. The chain of exploitation is more circuitous, but it still is located ultimately in the capital-labor relation.

In the age of neo-liberalism, the struggle to recreate the “nation”, the national market, national production and exchange is once again a basic historic demand just as the growth of deregulated employment (informality) requires a powerful public investment and regulatory center to generate formal employment with livable social conditions. In a word, class analysis needs to be adapted to the rule of unmediated capital in an unregulated labor market with international linkages in which the reformist redistributive politics of the past have been replaced by neo-liberal policies reconcentrating income and power at the top. The homogenization and downward mobility of vast sectors of workers and peasants formerly in the regulated labor market creates a great objective potential for unified revolutionary action. In a word,

there is a common class identity which forms the terrain for organizing the struggles of the poor.

The transformations of capitalism have made class analysis more relevant than ever. The growth of technology has exacerbated class differences, not abolished them. The workers in micro-chip industries and those industries in which the new chips have been incorporated have not eliminated the working class. Rather, it has shifted the sites of activity and the mode of producing within the continuing process of exploitation. The new class structure insofar as it is visible combines the new technologies to more controlling forms of exploitation. Automation of some sectors increases the tempo of work down the line; television cameras increase worker surveillance while decreasing administrative staff; “quality work circles”, in which workers pressure workers, increase self-exploitation without increases in pay or power. The “technological revolution” is ultimately shaped by the class structure of the neo-liberal counter-revolution. Computers allow for agribusiness to control the costs and volume of pesticides, but it is the low-paid temporary workers who spray and are poisoned. Information networks are linked to putting out work to the sweatshop or household (the informal economy) for production of textiles, shoes and such like.

In the United States, for instance, the power to incorporate is freely available under incorporation statutes that merely require the filing of information concerning the financing and intended activities of the new association. Corporations are granted special advantages over other forms of business organizations such as: (1) limited liability whereby owners are liable for corporate debts only to the extent of their investment; (2) the power to contract as a single agent under the law; and (3) continuity of organizational existence beyond the lives of the owners. These unique features of the corporation can alternatively be explained in terms of its contractual origins. They may be viewed as the product of a contract between shareholders and those who find these provisions acceptable. No one is forced to deal with the corporation. For example, limited liability is not a privilege that is necessarily guaranteed to a corporation. A would-be creditor can decline credit to a corporation unless one or more of its stock-holders

assumes personal liability for the obligation (Hessen 1979; Mason 1959; Berle and Means 1968).

It is inconceivable that the tremendous technological and social progress Americans have witnessed over the past two hundred years could have occurred without the accumulation of large sums of capital directed at specific tasks. Without the ability to incorporate, large businesses would have the logistical nightmare of orchestrating thousands, perhaps millions, of individual investors toward the same economic goal. Our status as the world's leading economic power owes much to our ability to incorporate and to the respect for voluntary organizations on which this legal person is built.

As a form of free association, the labor union may be viewed as a rebuttal to the idea of self-reliance. According to this view, the industrial revolution required only specialized repetitive skills which led to workers loss of self-identification and self-respect. This view is especially pronounced among Marxian theorists (Lindblom 1940). According to Walter Block, unionism consists of both voluntary and coercive elements. Voluntary unions restrict themselves to activities such as mass walkouts and boycotts. Coercive unions are those that promote their interests both by legitimate (non-rights-violating) behavior and by the illegitimate use of physical force aimed at nonaggressing individuals. For example, picketing must be viewed as illegitimate when its purpose is to coerce and physically prevent suppliers, customers, competing laborers, and others from dealing with the struck employer. Since both union and nonunion workers possess the same human rights, nonunion workers have every bit as much a right to compete for jobs as do union workers. Because a job is the embodiment of an agreement between two consenting parties, it cannot be "owned" by anyone person or group. If voluntary association and mutual consent are the legitimate foundations of employment, one group of workers forcibly preventing another from competing for jobs must be viewed as illegitimate (Block 1991).

Libertarian economists view unions as labor monopolies whose primary impact is to raise members' wages at the expense of unorganized labor and the most efficient functioning of the economy. This perspective stresses the adverse effects of union work rules on

productivity, the loss of employment in the organized sector due to union wages, and the resultant crowding of the nonunion sector with displaced workers. Others laud unions for increasing the development and retention of workers' skills, providing information about what occurs on the factory floor, improving worker morale, pressuring management to be more efficient, and providing workers with protection against arbitrary management decisions (Freeman and Medoff 1984).

The traditional view of the responsibilities of the corporation and labor union is that a corporation should use its resources and engage in legal activities intended to maximize stockholders' profits. Similarly, the sole responsibility of labor leaders is to represent the interests of their members. A more recent perspective is that corporate executives and labor leaders have a social responsibility that goes beyond serving the interests of their stockholders or members.

Social Responsibility

In sum, like fair trade, corporate social responsibility (CSR) attempts to establish new moral codes of practice, De Neve (2009) argues that "Discourses and policies of CSR, have become a central tool through which post-colonial power in equalities are being maintained and reshaped, and often even intensified by dominant players in the global market" (De Neve 2009:64). Hence, Rajek (2008a, 2008b) argues that CRS is more beneficial to the corporations as taking an ethical stance increases the company profile (Benioff 2004), CSR often hides exploitation and unethical behavior covering it up with the rhetoric of morality. Rajek (2008a) continues to say "CSR has become a central mechanism for corporate power to extend... its authority beyond the economic sphere" (2008a:18).

Thus, in an antithesis to Mauss (1966) (who argues for hybrid gift-commodity economies), Eckes (2008, 2010) argues that it may be more ethical to separate pure commodities from pure gifts "especially if seemingly pure gifts in one market distract from big profits made elsewhere." (2008:3). This highlights the problematic nature of CSR, it also shows that artificially inserting morality does not counteract

unethical behavior of corporations, but it may temporarily divert attention from exploitation and immoral practice. It also emphasizes that although anthropologists are right to reconnect gift and commodity based economies, it is also correct that we explore the basis of supposedly moral behavior and the political and/or economic motives. I would suggest that fair trade and CSR are new forms of imperialism; using a moral discourse about ethical practice and social good to reconfigure new techniques of power, in the same way that neo-liberal reforms based on western models of economic practice were imposed on the 'developing' world leading to dependency.

Capitalist activity is often perceived as a natural historical progression in human development in which people are instinctively profit seeking through participating on the self-regulating 'free' market. This assumed naturality gives capitalism its amorality, as in classical economics the market is considered self-regulating, driven by an 'invisible hand' that promotes good for the society. Capitalism is an accepted part of modern society, thus is rarely challenged, it is only through the study of other societies that operate on different frameworks can we reflexively challenge our own assumptions about the morality of capitalism.

Critics of capitalism would describe it as unnatural and immoral and perhaps, call for the hegemonic values we hold be challenged. Whereas those who view capitalism as natural; it is thought of as an amoral activity outside the jurisdiction of ethical guidelines because of the market's self-regulating properties. However, we must be reminded that (im)morality and ethics are culturally constructed hence relative to the society in which they operate. This can also be said for economic activity, thus universalizing morality, capitalism and economics becomes problematic because of two claims.

First, the claim goes that business ethics is impossible because capitalism itself tends to produce greedy, overreaching, and unethical business behavior. The second is that business ethics is irrelevant because focusing on the moral or immoral conduct of individual firms or businesspeople distracts one's attention from the systemic vices of capitalism. Far from being impossible, business requires and indeed presupposes ethics and that for those who share any hope for a better

society, nothing could be more relevant than engaging the debate over corporate social responsibility.

The idea of social responsibility gained adherents in the early twentieth century, when corporations were routinely criticized for being too large, too powerful, antisocial, and for engaging in anti-competitive practices. Cognizant of this growing antibusiness sentiment, some business leaders began to use their private wealth and power for community and social improvement. The stewardship principle was invoked to urge managers to view themselves as trustees of a larger public interest. According to this view, managers should act in the interest of all those who are affected by a firm's actions, not just stockholders and directors, but employees, customers, suppliers, communities, and society in general (Frederick 1988: 27-30).

Two general worldviews—*individualism* and *communitarianism*—are much debated in contemporary American society. One's position regarding social responsibility may depend, in part, on which side of this debate he or she finds most convincing. Individualism involves the atomistic—some would say reductionist—idea that society is no more than the sum of the individuals who compose it. Corporations are thus viewed as expressions of individual freedom, do not derive their power from society, owe nothing to the community, and need only pay taxes and adhere to government regulations. In other words, management is accountable for the sole task of employing the stockholders' capital in the most profitable manner for the stockholders' benefit. Specialization of effort and promotion of group interests (e.g., stockholders, employees, creditors, etc.) are viewed as the best organizing mechanisms for society. When each group legally pursues its own self-interest the result is the greater good of society (Friedman 1962).

Conversely, according to the tenets of communitarianism, a perspective championed by the sociologist Amitai Etzioni, individuals have certain social responsibilities to the larger community by virtue of their membership in that community. Thus, the corporation, as a "possession" of the community rather than of individuals, holds a social contract with society from which it derives its existence and, therefore, should serve a constellation of interests. According to the tenets of communitarianism, while managers have direct obligations to

stockholders and employees, they should also address the needs of their customers, suppliers, creditors, and the larger community from which the corporation is said to derive its existence (Delaney 1994).

So what does this mean for the future of capitalist democracy? In short, when the imposition of capitalism results in a disruption of societies this is immoral but when morality is artificially inserted it reconfigures capitalism as no longer amoral but neither moral. Attempts to moralize capitalism by combining it artificially with democracy divert attention from corporate unethical behavior by whitewashing the image with moral stance but by no means rectifies a history of unequal relations. Thus, new moralities are artificial; they produce a fetishisation of poverty and contribute to the neo-imperialist discourse of dependency and structural inequalities.

Values

The value-form is already ontological, as signaled by the term 'form'. In the realm of social ontology, the value-form is perhaps the ontological concept *par excellence* because it conceptualizes a fundamental form of sociation (*Vergesellschaftung*) which is at the same time an elementary form of *social power play* with its own ontological structure that differs in essence from the ontological structure of productive power. At the heart of this structure is value as a power play. The moral-cultural sphere provides values which give order, coherence, and moral direction to society. Values underlie the most important human concerns. The family, along with various religious, educational, social and cultural institutions, reflect and transmits these values intergenerationally. Some of the traditional values that allowed for the emergence of democratic capitalism include: enlightened self-interest; hard work and perseverance; self-reliance and self-control (deferred gratification); thrift and saving; the right to acquire and enjoy wealth; skepticism of centralized political power; and belief in justice, honesty, duty, and fair play, i.e. an objective moral order.

The most significant threat to American democratic capitalism may lie not in the economic or political spheres but in the moral-cultural sphere. Religious justification for wealth accumulation and self-

restraint has been largely replaced by a rationalistic belief in material and secular progress as ends in themselves. The resulting tendency is to seek possessions rather than to develop personal character. This hedonism is further supported by a spiritual alienation that revolts against authority, reason, objectivity, and the idea of an ordered existence. Humans are no longer viewed as having fixed natures; rather, the emphasis has turned to the uniqueness of each individual, immediacy, emotion, unfettered self-expression, and a reflexive rejection of the “old” for the “new”.

But a hedonistic society will tend to expand its claims on government. Self-reliance inevitably gives way to a sense of entitlement. Luxuries become necessities, and necessities become rights. Ultimately, the political order is relied upon to provide social, political, and economic equality – both of opportunity and of outcome (Benne 1981). Representatives of this counterculture repudiate the possibility of any objective, eternal, absolute moral standards by which human deeds can be measured. Communitarians are especially strident in their desire to avoid debate of first moral principles, arguing that human nature is dynamic and plastic, and that we need only engage in “dialogue” and “consensus-building” within and across communities in order to locate shared values (Etzioni 1991/1997).

Private Property

Capitalist property relations are mutual only insofar as they allow the capitalist to prosper and provide the worker with subsistence, paid piecemeal. This is not wholly different than previous forms of property relations where the slave/serf was (meagerly) fed and subsisted in a life of servitude to the master/lord. Historically, respect for private property has been one of the most important and enduring values in American society.

The protection of private property rights is generally viewed as essential for the preservation of individual freedom. According to John Locke the application of labor to land naturally results in privately held property. In Locke’s view individuals form societies in order to gain the collective strength to secure and defend their privately held

properties. The essence of Locke's "economic man" is that the ownership of private property is a natural right. The inalienable rights of life, liberty, and the pursuit of happiness included in the Declaration of Independence are Lockean in nature.

Without protection of one's right to own property, these other rights would have little meaning (Locke, 1943). When property rights are both respected and protected a person is able to keep and enjoy the fruits of his or her labor. Private property is vital to free markets, maximum productivity, and political freedom. As communist regimes have made abundantly clear, when the state controls a society's productive resources, it also stifles liberty by suppressing dissent and enforcing conformity to the state ideology. Conversely, in systems that respect private property rights political power is more diffuse, and the people more free to pursue personal happiness.

Governance

Recent corporate governance scandals have brought to the fore the inherent contradictions of a capitalism dominated by financial markets. Capitalism's basic premise—that companies must be managed in the sole interest of their shareholders—is incongruent with the current environment of liquid markets, profit-hungry investors and chronic financial instability. One would argue that rather a company should be managed as an institution where common objectives are developed for all stakeholders, and that this democratic principle should be extended to the management of collective savings to reduce macro-financial instability. These two conditions could make contemporary capitalism a vehicle for social progress and democracy. The financial scandals of the Enron era, going beyond the malfunctioning of the gatekeepers to stress the failure of shareholder value and the inadequacy of measures intended to prevent such scandals are eloquent testimonies.

Governance involves the exercise of authority and the right to direct, lead, and control. On the one hand, it implies a need to possess the requisite power and authority to achieve certain goals. On the other hand, in a free society there is a need to limit this power and authority to specific areas. Thus, governance includes the consideration of the

interrelated topics of authority, power, justice, law, pluralism, and constitutionalism. Power is the force by means of which one can oblige others to obey him. Authority is the *right* to be obeyed by others. Power without authority amounts to tyranny (Arendt,1956). The central problem is thus one of legitimacy (Eells and Walton:1974:411-434).

Aristotle was fully aware of the close connection among property rights, the moral sphere, and constitutional government. The influence of Aristotle's ideal of an agrarian polity and belief that a large middle-class is vital to political stability is obvious in the writings John Locke, and of the American Founders, especially Thomas Jefferson. Over the past 200 years, the American political ethos has shifted from the Greek idea that the good society fosters justice and vice versa to the Roman idea that justice equals law and is concerned with personal rights, i.e., we have become legalistic. The Roman lawyers held that justice was not a function of the whole society, but rather a specialized function and the concern of the legal sphere. According to Eells and Walton (pp. 393-405), contemporary positive jurisprudence is descended from this legal-moral dichotomy. Pluralism implies diversity and conflict, and requires both associationism and individualism. A pluralistic society diffuses power into many associations, thus assuring individual freedom from tyranny. The principle of subsidiarity holds that the state should restrict its activities to those that private associations cannot effectively perform. Our skepticism of state power ((Eells and Walton:435-438) favors the placement of as many voluntary groups s possible between the state and the individual.

Pluralism and constitutionalism share a skepticism toward the concentration of power. In our society, each man finds himself with many competing loyalties, making it impossible to give his whole allegiance to anyone association or person. Constitutional governments are characterized by legal restraints imposed on power holders to ensure that individual rights will not be transgressed. As an instrument, the Constitution is a grant of powers; as a statement of the rights of the people, it is a limitation on the power of the state.

Role of the State

The state serves to protect the interests of the capitalist class, not exploit them. A quick reading of US Presidential history will make this point very clear. Even small business interests are not exactly pitted against those of the state. Many small business owners enjoy a predictable rate of profit and market stability. The state through its suppressive functions helps maintain both a constant pool of uneducated and unemployed persons, as well as a stable market environment with minimal competition. All these are factors necessary for a moderately successful capitalist enterprise. Critics will surely point to the ‘red tape’ and excessive regulation coming from the state as proof of this antagonism. This is no proof at all. Given, some grievances exist about the quality of state administration, no grievances exist about the actual existence of these functions. This is why even the petit bourgeois anarcho-capitalist still supports private institutions of violence such as ‘private defense forces’ against none such institutions at all. This is because they recognize, subconsciously perhaps, the need for a violent and suppressive tool which can essentially mimic most of the functions of the modern state; only then more tailored to their preference.

America was founded on an explicit philosophy of individual rights. The Founding Fathers held the view that government must be limited by the rights of the individual and that its purpose is to maintain a framework within which individuals can pursue their own self-interest within a competitive marketplace. Early in this century, however, attitudes toward limited government and judicial restraint changed, resulting in an increasingly large, intrusive federal government.

A new type of regulation, so-called “social” regulation, gained adherents after World War II. Unlike economic regulation, which focuses on market or economic variables and entry to or exit from markets, social regulation focuses on firms’ impacts on people as employees, consumers, and citizens. Social regulations are aimed at providing protection from discrimination in employment; assuring safe and healthful workplaces; protecting consumers from unsafe products;

and protecting citizens from environmental pollution (Weidenbaum 1990: 37-44).

The growth in social regulation signaled an increasing role for government in the affairs of businesses of all sizes. This power shift from managers to government bureaucrats has led to a blurring of the distinction between private power and public power. The U.S. Constitution provides for various, *minimal*, forms of intervention such as: (1) the power to regulate interstate and foreign commerce; (2) the power to tax and spend; (3) the power to borrow; and (4) the power to promote the general welfare. Our goal ought to be to have a substantially free market system that is prevented by law from accumulating monopolistic or oligopolistic control of a given market. The addition of “social responsibility” to this equation is both unwarranted and unwise.

In sum, if one takes seriously the ideology, arguments and values now emanating from cheerleaders of market democracy, there is no room in Africa or elsewhere for a democracy in which the obligations of citizenship, compassion and collective security outweigh the demands of what might be called totalizing market-driven society; that is, a society that is utterly deregulated, privatized, commodified and largely controlled by the ultra-rich and a handful of mega corporations. In such a society, there is a shift in power from government to markets and the emergence of a more intensified political economy organized around three principal concerns: deregulated markets, commodification and disposability. In spite of the current failure of this system, market-prone politicians and their palace court intellectual allies are more than willing to embrace a system that erases all vestiges of the public good, turning citizens into consumers, while privatizing and commodifying every aspect of the social order - all the while threatening the lives, health, and livelihoods of millions of working class and middle class people and peasants.

What is unique and particularly disturbing about this hyper-market driven notion of economics is that it makes undemocratic modes of education central to its politics and employs a mode of pedagogy aimed at displacing and shutting down all vestiges of the public sphere that cannot be commodified, privatized and commercialized.

Consumers are in and citizens are out. Fear and lying are the discourses of choice while dialogue and thoughtfulness are considered a weakness. To a greater extent than at any other point in liberal modernity, this regime of economic Darwinism now extends economic rationality to formerly noneconomic domains shaping individual conduct, or more precisely, prescribing the citizen-subject of the neoliberal order

In sum, it is worth emphasizing that neoliberalism shares several fundamental properties with religious cults that are completely incompatible with democracy. Like all fundamentalist cults, neoliberalism reduces a complex world to a set of simplistic dogmas as evidenced by the Washington Consensus. All of society is viewed through the prism of an economic lens. Economic growth, measured by GDP, is the ultimate good. The market is the only and simultaneously the perfect mechanism to achieve this goal. Neoliberalism obsession with materialism have become normalized to the degree that it is hard to imagine what American society would look like in the absence of these structural and ideological features of the new and militant economic Darwinism that now holds sway over the American public.

The mantra is well known: government is now the problem, society is a fiction, sovereignty is market-driven, deregulation and commodification are the ways to a bright future, and the profit is the only viable measure of the good life and advanced society. Public values are a liability, if not a pathology. Democratic commitments, social relations, and public spheres are disposables, much like the expanding population of the unemployed and dispossessed. Any revolt is the threat to the neoliberal regime of truth and should be dealt with unrestrained cruelty. The market functions best with minimal or no interference from government or civil society and those who don't agree will be taken by police to the proper reeducation camps. All governments with possible exception of the US government should be minimized to allow unrestricted dominance of global corporations. The genius of neoliberalism as a cult, was its ability to cloak the US pretences of world hegemony in an aura of scientific and historical inevitability. Which again makes it very similar and in a way superior to

Marxism as a cult. The collapse of the Soviet Union was the supreme, heaven sent validation of Margaret Thatcher's claim that there was no alternative. There is only one blessed road to prosperity and peace and outside it there is no salvation, nor remission from sins.

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Chapter 4

State in Africa under Neo-liberalism

Overview

Africa has been an important laboratory for the implementation of neoliberal policies under the patronage of Bretton Woods institutions. Since the 1980s most African countries have been submitted to structural adjustments aiming at cutting their expenses in education and health, at privatizing their public assets, and at liberalizing their economies. Following the failure of this development strategy, they were further pushed, from the 1990s, to make new institutional reforms promoting decentralization, good governance, and an attractive environment for business.

Introduction

Neoliberalism has shaped African development for several decades. As such, it is not an economic ‘shock’ or a ‘structural adjustment’, but rather a historic shift in Africa’s development politics and policy. This chapter explores the ways in which African countries have experienced the neoliberal project, highlighting how this project has gone beyond economic liberalization and towards a bolder social transformation. As an ideology, neoliberalism projects an end-point not simply of a market economy but of a market society in Africa. Aid disbursement, technical assistance, and conditionality have been used to force African countries to cleave to neoliberal directives. Hence, neoliberal ‘progress’ in Africa is notably limited in spite of the resources behind it and the lack of alternatives to it.

In other words, this chapter will attempt to seek answer to the following crucial questions: Does the observation of a neoliberal impact indicate that the African continent is neoliberal? What does it mean to be neoliberal? Can we talk about neoliberalism if one observes that Africa is at the heart of logics differing from other continents? Is there a neoliberal governmentality in Africa? Is there a specificity of

neoliberalism in Africa? How far political actors and civil servants actually implement neoliberal policies imposed from above? Should we reduce neoliberalism to the implementation of such policies? How are discourses about the virtues of good governance, competition, and entrepreneurship produced, understood and appropriated in Africa? Are they to be associated with new forms of subjectivity? To what types of inequality and exclusion do neoliberal policies lead in this context? And to what forms of resistance are they confronted?

Background

Neoliberalism was launched in the 1970s as a response by economic and political elites to the threat posed by the growing strength of organized labor in the industrial countries and the drive for a more autonomous post-colonial development path in the less developed countries. In the former case, the widespread adoption of incomes policies, moves to regulate labor markets and the extension of the welfare state threatened to undermine the postwar revival of economic liberalism represented by tariff reductions, the rise of transnational corporations and the liberalization of capital flows. In the latter case, the success of OPEC from 1973 in repatriating a growing proportion of oil rents exemplified the wider drive towards national control of resources, and the unification of the Third World begun at Bandung in 1955 culminated in the campaign for a New International Economic Order.

In this typical view of the genesis of neoliberalism, there is an asymmetry in the respective accounts for developed and less developed countries. In the 1970s, in the former case even mainstream approaches, notably pluralism and neo-corporatism, took for granted that the politics of economic management centered on the conflict between capital and labor. However, in the latter case not only the mainstream, but also progressive and even Marxist approaches such as dependency and world systems theories, were still centered on the national struggle against colonialism and neocolonialism. Naturally, for countries and regions perceived as being at an intermediate level of development—the semi periphery (Radice 2008b)—both analytical axes

could be applied: in the Latin American case, long histories of class struggle in terms of both economic and political contestation had shown, at least since the 1930s, considerable similarities with those of more advanced capitalist countries, interwoven with patterns of agricultural exploitation and international trade that resembled more the experience of colonial and postcolonial Africa and Asia.

A common feature in the analysis of all cases was the reluctance of scholars to abandon methodological nationalism (Gore 1996) and appreciate the increasing salience of global relations of accumulation and class struggle. By the mid-1990s, a double process of unification and convergence seemed undeniable to many: the Washington Consensus, although initially formalized in relation to what was still called the Third World, could be seen to be faithfully reflected in the restoration of capitalism in the former Soviet bloc, and in the evolution of European integration towards the single currency and the “Maastricht rules” on public debt and deficits. As far as less developed countries are concerned, neoliberalism provided an ideological foundation for the “normalization” of post-colonial capitalism, profoundly altering the forms of states, political regimes and institutionalized social interests towards liberal norms—effectively extending and/or completing the historical transition to capitalism across the globe (Harvey 2007).

What is neo-liberalism in Africa?

Neo-liberal economics is based around three main elements. Firstly, there is a re-conceptualization of the role of government expenditure. State spending is explicitly seen as justified only by the need to make domestic capital more competitive. This allows for spending on education, health and other public services to a certain degree, but only when this can be justified in economic terms as leading to an increase in efficiency. In addition, the provision of such services is seen as something which can best be provided by the private sector, with the role of the state mainly to manage the awarding of the relevant contracts and ensuring that no single monopoly provider gains

too much power in the market at the expense of other capitalists. So privatization is central to neo-liberalism.

Secondly, neo-liberal thought is based around the breaking down of national economic barriers. The most important of these is in the financial sector. Neo-liberalism strongly advocates the removal of capital and exchange controls and the opening up of financial markets to foreign investment. National controls on imports of goods and services, especially tariffs and quotas, on intellectual property rights, on the awarding of government contracts and on productive investment are all to be removed and handed to international institutions, notably the World Trade Organization (WTO). However, national controls on the movement of labor remain.

Thirdly, there is an extensive program of domestic deregulation. A central plank of neo-liberalism is a program for 'flexible' labor markets, with maximum freedom for employers in the terms of hiring and firing workers and strict limits on trade union rights. Areas like pensions are also embedded as much as possible in a market framework. State-imposed limits on the behavior of companies, such as the controls on interest rates and lending activities are removed – for example the Glass-Steagall Act separating commercial and investment banking, imposed in the wake of the 1930s depression in the USA, was recently repealed. Again, the regulatory role of the state is restricted to competition and anti-trust policy, in support of those capitalists who might lose out if a monopoly becomes too strong, rather than providing a counterweight to the power of capital.

It is worth noting here that the main focus of neo-liberalism is on the 'micro' side of the economy, the way in which capitalism functions at the level of individual markets and companies; rather than on 'macroeconomics'—the operation of national economies as a whole. Certain macroeconomic policies, most notably the Stability and Growth Pact, which limits government borrowing within the countries participating in the euro, can be used to further neo-liberal objectives. However, they are not central to neo-liberalism, as is shown both by the fact that the Pact has been ignored in effect by the two most important EU governments, France and Germany (to the disquiet of the European Commission) and by the way in which advocates of neo-

liberalism such as *The Economist* magazine and the *Financial Times* are opposed to the continuation of the Pact.

More generally, neo-liberalism is quite compatible with 'Keynesian' policies of boosting government spending, cutting taxes and lowering interest rates in order to increase economic growth, as has been done by the Bush government in the USA since 2001. The key question is who gets the benefit of such spending, tax cuts and cheap money. For neo-liberalism, these policies must be justified by the interests of capital, as has indeed been the case in the United States under Bush. To summarize, the central element of neo-liberalism in Africa is the opening up of spaces for capital that were previously restricted, either for geographical reasons or through state involvement or regulation, coupled with the increased integration of the state with business around an agenda of increased competitiveness within these newly opened spaces.

Neoliberal Sate in Africa

In *Foreign Affairs* of March/April, 2009, Antoinette Handley gives a common explanation for the African continent's mediocre-to-disastrous economic performance for the last decades due to the weakness of the private sector and its political subordination to state elite that is less interested in long-term sustainable growth than it is in staying in power and profiting from rent seeking. In fact, relations between the private sector and the state vary across the region, as Handley makes clear in this well-informed review of business-state relations in Ghana, Zambia, Mauritius, and South Africa. In the last two countries, Handley argues that a well-institutionalized business community has been able to assert its autonomy vis-à-vis the state; sometimes contentious but productive relations have resulted. In Ghana and Zambia, on the other hand, a much weaker business sector remains subject to clientelistic politicization, despite the significant amount of economic liberalization that occurred in the 1990s. This article is a direct indictment of the state in Africa for failing to bow to the dictates of neoliberalism. In concrete terms the neo-liberal policies

which have been widely implemented in Africa over the last decades are:

*Removal of state control over prices and money. This has meant that subsidies on basic goods such as food and fuel have been removed. In some countries even the most basic foodstuffs have become too expensive for the poor. Food riots against SAP measures have occurred all over the continent, notably in Zimbabwe. In Nigeria in June 2000, an IMF-driven increase in the price of fuel provoked a week long general strike and mass resistance. [The liberalization of currency regulations allows capital to invest and disinvest in the country much more easily. This creates the possibility of capital flight and speculative attacks on the currency. Significantly Uganda and Ghana who have been model citizens in implementing IMF reforms both suffer from rampant devaluation of their currency causing inflation of prices and other economic problems.]

*Large cuts in public spending. This has had several drastic effects. Firstly there have been massive layoffs of public sector workers in many countries. Hundreds of thousands of workers have been retrenched in places like Senegal, Zambia and Tanzania as a result of SAP's. Other cutbacks in public spending have seen reduced social programs and increased charges. Current Structural Adjustment demands for Mozambique include a fivefold increase in health charges.

*Privatizations of state owned corporations such as electricity, water and transport. These privatizations have often merely replaced a state monopoly with a private monopoly which has generally led to price rises and the effective barring of the services to vast numbers of the poor. In South Africa, electricity and water cut offs have become common in the townships of Soweto as part of the ANC's neo-liberal GEAR policy.

*Policies to promote a 'flexible' workforce. This essentially means the large scale subcontracting of labor and a reduction in workers' rights, wages and conditions. Workers at Wits University in Johannesburg recently saw their salaries cut by almost 70% and lost all of their benefits under a restructuring plan.

*Policies to promote competitiveness. This involves reducing tariff barriers and reducing taxes on businesses and the rich to attract

investment. As a result of this, local industries can be undermined by cheap imports as happened to the South African textile industry over the last few years causing massive job losses. Sales taxes (VAT) are introduced as alternatives to company and income tax. This causes increases in prices of goods for workers and big increases in profits for bosses. In countries like Uganda and South Africa the introduction of VAT has faced considerable resistance.

In fact, terms such as “good governance” or “civil society” - *buzzwords* according to Doornbos (2006), *watchwords* for Carmody (2007) - have enabled development cooperation to regenerate itself; yet this has taken place without a revision of the first principles of the manifestly failed policies of the past – policies, indeed, which shaped the evolution of African states, such as the structural adjustment programs in the 1980s. In other words, they have perpetuated an endogenous understanding of poverty or conflict, and omitted variables of an international nature, such as the consolidation of certain elites in the government due to their ties with the international community, or the opaque participation of multinationals in the running of the economy. To the extent that they avoid examining factors of a structural nature, these policy tools support the international *status quo*.

Indeed, neoliberalism—understood as a synthesis between a free-market economy and democratic liberal theory—has not only made the African continent’s economic marginalization more acute, but also perpetuated policies of clientelism. Yet in spite of the political and economic crises which it has generated, the ideology has reproduced itself through successive reforms, thereby avoiding a re-examination of contradictions between the aim of poverty reduction and government policies. Carmody broaches this question in order to explain the neoliberal agenda in Africa.

From the 1990s onwards, the collapse of the USSR was interpreted as a victory for the USA, thus legitimizing policies which have shaped the majority of international interventions in fragile

states. The main objective of those policies is to bring about the reconstruction of states and they are founded on the notion that the

society in question is a passive agent which has to be stirred into life from afar.

Carmody studies in particular the effects of neoliberalism on economic development and the promotion of domestic security. He does so in reference to three cases, each of which deals with a different issue. First of all he looks at Ethiopia, where poverty-reduction policies driven by international bodies have not led to substantial economic, social or political change, or given rise to a dialogue between state and society. Secondly, he considers Zimbabwe, where change brought about by neoliberal pressure on the Mugabe regime has increased precariousness amongst the population. The third example is that of South Africa, where the evolution of the NEPAD has led to greater economic and social vulnerability in the country at large.

Understandably, much has been written on the subject of the capitalist State in the era of neo-liberalism in general. Two features of the “neo-liberal State” in particular have been highlighted (Patnaik 2003). One relates to the change in the nature of the State, from being an entity apparently standing above society and intervening in its economic functioning in the interests of society as a whole, even at the expense of the unbridled interests of finance capital (such as for instance the State in the era of Keynesian demand management), to being an entity acting exclusively to promote the interests of finance capital. This change in the nature of the capitalist State, which is sometimes mistakenly called the “retreat of the State”, is manifest in the shift that occurs from its being a spender, an investor and a producer, to its new role in carrying out ‘privatization’ and “disinvestment” (all of which benefit finance capital) and undertaking State expenditure deflation (which accedes to a perennial demand of finance capital).

The second obvious feature relates to the fact that since finance capital in the contemporary era is not exclusively tied to any particular national domain (and its imperial adjunct), but has an international character, to protect and promote it on the global plane where it operates, a surrogate global State necessarily has to come into being; and this role is performed by the major capitalist States acting in unison under the leadership of the most powerful State, the U.S., and

enjoying the support of the less powerful nation-States whose own large capitalists and financiers are in favor of such an arrangement. The so-called “unipolar” world where all nation-States “adjust” to the leading role of the US is in fact the coming into being of a surrogate global State to protect the interests of international finance capital. I shall not expatiate on these features in the present chapter, whose objective is to draw attention to an altogether different, a third, feature of the “neo-liberal State” in Africa. This concerns the change that occurs in the “texture” of the State, that is, in the nature of the bureaucracy, other State personnel, and the “organic intellectuals” at large, in the era of neo-liberalism. The implications of this change are quite far-reaching. Some general comments on an aspect of capitalism which surprisingly has received little attention is essential to this discussion.

Neoliberalism, State and Democracy in Africa

Since the late 1980s the changing dynamic of global development has driven the tide of democratic expansion in the developing world. In Africa, western donors have sought to impose ‘neo-liberal’ visions of socio-economic and political institution-building, spreading political reforms and economic liberalization with far-reaching consequences. Associated with external interventions, but also sometimes conflicting with them, are internal protests against authoritarianism, which have problematically reinforced and/or undermined the donor agenda for democratic reform. Therefore, both on the continent and off, Africa is spoken of in terms of crisis: as a place of failure and seemingly insurmountable problems, as a moral challenge to the international community. What, though, is really at stake in discussions about Africa, its problems, and its place in the world? And what should be the response of those scholars who have sought to understand not the Africa portrayed in broad strokes in journalistic accounts and policy papers but rather specific places and social realities within Africa? Here, we must question the assumption that Africa was lacking the essential components for a spontaneous transition to democracy by

exploring the dynamic, but contradictory, links between external and internal dimensions of neo-liberal democratic expansion in Africa

Capitalism, as Marx had shown, differs from all previous modes of production in the sense that, unlike the earlier modes, the relations of production underlying it are opaque. The extraction of surplus from the direct producers occurs not through the use of personalized coercion camouflaged as “custom” or “tradition”, as under feudalism, but in a situation of equivalent exchange among a group of commodity-owners entering into voluntary commerce on an apparently equal footing. This transition from obvious transparent methods of exploitation to a more complex, impersonal, and not directly visible, method of exploitation also accompanies a change in the position of the State with respect to civil society. The State acquires a degree of autonomy vis-à-vis civil society. Even as it remains a class-State, defending the fundamental capitalist property relations, it acquires an apparent standing of independence, an apparent role of benevolent supervision “in the interests of all”, an apparent position as the custodian of the interests of society as a whole. In a feudal society where the King is as much a landowner as anyone else, indeed the largest landowner of them all, the possibility of any conception of the State as standing apart from or above the directly visible process of exploitation simply cannot arise. The King may be considered benevolent in so far as he curbs the “excesses” of some of his nobles, but he is not apart from them in the “normal” state of things. This possibility of the State being apart arises only when the mode of exploitation itself acquires an opacity, and this possibility becomes a reality precisely as a complement to this opacity. Or putting it differently, the opacity of the process of exploitation also introduces a similar opacity to the relation of the State to civil society.

Indeed a central concern of Marxism has been to break down, both in theory and in practice, this latter opacity, as much as it has been to break down the former. One may even say that after the initial labors of Marx, Marxism has been more concerned with breaking down the opacity of the relation between the State and society than with breaking down the opacity of the process of exploitation. The reason for this is simple: even after the process of exploitation is

understood, unless the class nature of the State too is grasped, which is a more difficult task, a half-baked understanding of the totality is produced which effectively forecloses the possibility of transcending the system of class exploitation. Lenin's remark that a belief in the reality of class struggle is not enough to make one a Marxist, and that only that person is a Marxist who believes that class struggle must lead to a replacement of the bourgeois State with a dictatorship of the proletariat, underscores the importance he attached to overcoming the opacity of the State-society relationship.

The greater difficulty in understanding the State-society relationship arises from the fact that while exploitation is directly experienced by the working class, its encounters with the State, *in its persona as a class-State*, are episodic rather than regular, occurring only when State coercion is brought in to break workers' economic struggles. On the other hand the proletariat can carry out a *political* struggle only if it acquires an understanding of the class-nature of the State. In *The Poverty of Philosophy* (1847) there is a suggestion that the process of economic struggle itself pushes the proletariat into acquiring political consciousness, but the *Communist Manifesto* (1848), written shortly afterwards, introduces the idea that revolutionary consciousness comes to the proletariat from "outside", through certain bourgeois intellectuals who "de-class" themselves and see the "historical process as a whole", an idea that was to figure so prominently in Lenin's *What Is to Be Done?* and constituted perhaps the central theme of Leninism.

The objective basis of this opacity in the State-society relationship, it may be thought, lies in the "self-acting", "self-regulating" nature of the capitalist order, which Classical Political Economy had emphasized even before Marx, and which requires of the State only the maintenance of the "rules of the game" of the system (Dobb 1973). But this notion of a "self-acting" "self-regulating" economic order is a myth. Capitalism, it is true, has not generally been a wildly chaotic economic system (barring episodes like the Great Depression), but the reason for that lies not in its innate characteristics but in the cushion it has always provided itself against crises through colonialism and imperialism (Patnaik 1997), and, for a brief period after the Second

World War, through Keynesian State intervention. Since colonialism and imperialism have always been sustained through military intervention by the State, one can say that capitalism, contrary to the “liberal” picture of it, has always been sustained by State intervention in its functioning. The basis of the opacity of State- society relationship then lies not in the fact of capitalism’s being “self-acting” and “self-regulating”, independent of the State, but in the fact that State intervention itself has usually been carried out in the name of society as a whole, rather than in the ostensible interests of the capitalist class.

The social legitimacy of the bourgeois State has arisen from this fact, which is why one can say that the position of the bourgeois State as an apparently supra-social entity, acting, not in the ostensible interests of the capitalist class exclusively, but for society as a whole, constitutes a necessary condition for the stability of the system. And the need for the State to have such a position becomes even greater when the form of the State is a bourgeois democracy. Even when the State acts exclusively in the interests of finance capital, it invariably claims that it is acting in the interests of society as a whole. But the social legitimacy of the State depends upon the degree to which such a claim carries credibility.

For the bourgeois State’s claim to be acting for society as whole to be credible, it is necessary that it be internalized as an ideology within the State itself, that substantial segments within the bureaucracy (which together with the standing army constitutes, as Lenin had argued, the core personnel of the State) actually believe this. If they do not, then the pretense of the State that it stands above society and acts on its behalf can scarcely be sustained for any length of time. It follows then that the stability of the bourgeois system is based on a peculiar condition, namely that the ideology which informs the State personnel, which is internalized by them when they act in the name of the State, should be different from that which underlies the behavior of the bourgeoisie itself. For the State to stand apart from bourgeois society, the motivations of the agents of the State must be different from those of the main agents of the bourgeois society, namely the bourgeoisie itself. The separation of the State from civil society must mean a

parallel separation between the leading agencies of the two domains, at least in their motivations and basic ideologies.

And now we come to the central paradox: while such a separation constitutes as we have seen a condition for the stability of the system, the tendency of capitalist development is to obliterate all such separation, to assimilate all into the spontaneous bourgeois agenda of “money-making”. In other words, the very logic of a bourgeois society precludes the possibility of sustaining such a separation between the motivation of the personnel of the State and the motivation that not just activates the bourgeoisie, but tends to get generalized as the attribute of society as a whole (and meets its resistance only because the socialization of labor produces a counter-consciousness in the proletariat which emerges as an agency for change). A major contradiction of the bourgeois system in short lies in the fact that its spontaneous tendencies tend to undermine the condition for its own social legitimacy.

This is a somewhat different point from the usual one made with respect to the contradictions relating to the “economic base” of the system. Not only is it unrelated to the “base” of the system, but it amounts to making a strong and novel assertion, namely that the bourgeois system is incapable of ever being a “complete” one, that the development of the “base” itself undermines the possibility of having a “superstructure” that is both in conformity with it and also complements it by refurbishing its social legitimacy.

This contradiction remained in check, since for a very long time the personnel of the bourgeois State were drawn from among the remnants of the old feudal aristocracy, so much so that Joseph Schumpeter developed a whole theory of imperialism based on this fact. Schumpeter (1951) argued that the bourgeoisie is essentially peace-loving, that its desire for “space” does not extend beyond “home and hearth”. While it would make use of all profitable opportunities offered by the existence of an empire, it would not bestir itself into acquiring one. The fact that the leading capitalist economies have nonetheless acted vigorously to acquire empires can be explained not by economic motives activating the bourgeoisie, but by non-economic ones, centered around notions of “honor” and “glory”,

which are pursued by the feudal aristocratic elements providing the personnel of the State machinery in bourgeois societies.

Oskar Lange (1964), while rejecting Schumpeter's non-economic explanations for the imperialist drive of the late-nineteenth century, and attributing it instead, in common with the Marxist tradition, to economic phenomena associated with the emergence of monopoly capitalism, argued nonetheless that with monopoly capitalism a change takes place in the personnel of the State. The remnants of the old feudal aristocracy which, he argued, manned the State *during the period of "free competition capitalism"* get supplanted by the monopoly capitalists themselves, or their direct agents, during the period of monopoly capitalism. Lange in short also believed with Schumpeter that the bourgeois State's personnel were drawn from the old ruling circles of the pre-bourgeois order, but differed from Schumpeter in confining this phenomenon only to the pre-monopoly stage of capitalism.

Lange was perfectly right in drawing attention to the fact that in the era of monopoly capitalism a profound change occurs not just in the policies but also in the personnel of the State. Rudolph Hilferding in his classic work *Das Finanzkapital* had talked of a "personal union" between industry and finance which threw up a financial oligarchy, and a similar "personal union" between this financial oligarchy, which sat in control over vast amounts of finance capital, and the State. There was a movement of persons from the ranks of the bureaucracy and the army, to employment by finance capital, and, conversely, employees and paid agents of finance capital occupied important positions in the State. This closeness between finance capital and the State personnel reached its apogee in the era of fascism, and has been described by a host of writers from Daniel Guérin to Michael Kalecki. Indeed Kalecki talks of the State machinery under fascism being "under the direct control of a partnership of big business with fascist upstarts" (1971, 141). The nuances of this "partnership" in the case of Nazi Germany have been explored at length in both literature and films, where Lucino Visconti's *The Damned* (1969) remains a classic of this *genre*.

Now, when the State becomes so completely enmeshed with finance capital, the social legitimacy it derives from its image as an entity standing above society and guarding its overall interests gets

undermined. Even though the general authoritarianism of regimes characteristic of the era of the hegemony of finance capital (at least of that particular era) may suggest to some that the State does not *need* any social legitimacy, that authoritarianism acts as a substitute for social legitimacy, such is not the case. Even the most authoritarian State, even the fascist state, notwithstanding its pervasive use of terror, is still in need of social legitimacy. Authoritarianism and terror can never fully substitute for social legitimacy. And this legitimacy is sought to be acquired by such regimes through other means: by invoking an enemy that is a common foe of the entire society, against which the State is projected as engaging in struggle; or by uniting society for a common purpose behind some imperialist project of acquiring “glory” or “national pride” (Hilferding had talked of the ideology of finance capital consisting *inter alia* in a “glorification of the national idea”); or launching an imperialist project in the name of righting some “past injustice done to the nation”.

In other words, the social legitimacy lost in the economic domain is sought to be made up elsewhere, through the invocation of the construct of a “nation” that is essentially imperialist, racist and xenophobic (as opposed to the anti-imperialist nationalism of the oppressed people), and the manufacture of a consent around it, through the use of the media controlled by the financial interests themselves. Indeed the very enmeshing with finance capital, the very use of pervasive terror, is sought to be justified in the name of fighting this common enemy of the society, or achieving this common purpose. War, aggression and annexation are all sought to be justified in the name of this common project. They represent however an alternative quest for social legitimacy by the State.

This, to be sure, is not their sole purpose. There are powerful economic factors at work behind such annexations and war; but the problems relating to the superstructure also play an important additional role in promoting annexations and war. This point was made by Lenin himself in *Imperialism*, when, in addition to discussing the economic motives behind imperialism, he also drew attention to the fact that the “non-economic superstructure which grows up on the

basis of finance capital, its politics and its ideology, stimulates the striving for colonial conquest” (2000, 110).

We thus come to a conclusion which is both similar to, and also the direct opposite of, Schumpeter's. There are powerful factors, in addition to the economic ones but themselves not directly reducible to the economic, which play a role in unleashing imperialism, war and annexations in the era of monopoly capitalism. But these do not represent an atavistic throwback to the feudal hunger for glory and honor, expressed by an old aristocracy manning the bourgeois State machine. Rather they are the outcome of a changed superstructure where the remnants of the old feudal aristocracy, which hitherto manned important State positions, have been supplanted by upstarts having close “personal union” with finance capital. They are, in short, quintessentially “bourgeois factors”, and the logic of bourgeois society which brings finance capital to hegemony and which destroys the earlier social legitimacy of the State also entails recourse to them in the quest for a new social legitimacy.

The post-war period of de-colonization and Keynesian demand management represented in some ways a setback to the hegemony of finance capital, made possible by the specific conjuncture of the aftermath of the war. Internationally, the Soviet Union had emerged from the war with enormous losses but also with enormous prestige, and the socialist camp had expanded dramatically. Domestically, the working class in the metropolis, which had made great sacrifices during the war, was unwilling to go back to the old days. In France, Italy and Greece, a socialist take-over was prevented by monopoly capital with great difficulty, in the last of these through an actual war; and in Britain, Winston Churchill, the war-time Prime Minister, who was as committed to the maintenance of the British empire as he was to financial orthodoxy in matters of domestic economic policy, lost the post-war elections to the Labor Party. And of course the national liberation struggles in the colonies had acquired such momentum that imperialism was in no position to reassert its hold over them, though it tried to prevent Communist-led, or more generally militant, national liberation struggles through wars in Malaya, Algeria and Vietnam, the first of which it won by fomenting internal dissensions between the

ethnic Chinese and the Malays (much the way it had done earlier vis-à-vis the Hindus and the Muslims in the Indian subcontinent).

In this changed conjuncture, a revival of the concept of a State standing above society and acting as the guardian of the social interest as a whole could take place, and the State did act in ways that finance capital would have disapproved of. Keynesian demand management, which was anathema for finance capital (because of which Keynes himself had called for “the euthanasia of the rentier”), pushed metropolitan economies as close to full employment as is ever possible under capitalism. *Dirigiste* development strategies in third world countries entailed not only substantial state expenditures but even the permanent and significant presence of a public sector, which again was anathema to metropolitan finance capital (the domestic financial interests in the third world were as yet of limited strength).

To say this is not to claim that imperialism disappeared. Imperialism, as suggested above, has always been an integral part of capitalism and continues to remain so in all its phases. De-colonization represented a setback for imperialism, not the end of it. The same changed correlation of international and domestic class forces which brought an end to colonial empires also brought about a change in the State-society relationship all over the capitalist world. The aggressive annexationist drive by rival monopoly powers that had underlain the two world wars was checked in the new conjuncture and even somewhat reversed, even as metropolitan capitalism sought other ways of keeping intact its hegemony over the world economy.

But this post-war conjuncture passed, as it had to. The logic of capitalism reasserted once more the hegemony of finance capital, not in its old “national” form but in the new garb of a “globalized” finance capital. The result was a retreat from Keynesian demand management in the metropolis, a retreat from the *dirigiste* development strategy in the third world, and the pursuit everywhere (except the US whose currency, being “as good as gold”, allows it a certain degree of freedom in the matter) of deflationary policies with regard to State expenditures, which finance capital favors and which had been abandoned with great difficulty in the aftermath not so much of the Great Depression, as of the Second World War.

Simultaneously however, and not surprisingly, the old question of the social legitimacy of the bourgeois State has reasserted itself, especially in the wake of the enormous increases in disparities in income and wealth that have occurred both in the metropolis and in the third world in this new, post-*dirigiste*, conjuncture, where the freshly-acquired hegemony of international finance capital is being expressed through the pursuit of neo-liberal policies. The bourgeois State, which once more is getting enmeshed with finance capital and whose pursuit of neo-liberal policies lies directly at the root of the increases in wealth and income inequalities, has to find new ways of acquiring social legitimacy, as it had to in the earlier pre-war period of hegemony of finance capital. It is not surprising in this context that a new enemy, “terrorism”, is being apotheosized, and a religious and communal consciousness is being promoted to manufacture a new social legitimacy for the bourgeois State that is today so closely enmeshed with international finance capital.

It could be argued that since “terrorism” is a very real phenomenon, to talk of “terrorism” being apotheosized to provide social legitimacy to the capitalist State is to underestimate the genuine threat from “terrorism”. The point however is that while “terrorism” is very real (though it owes its origin to imperialist nurturing), the way it is sought to be combated by metropolitan States, especially the leading U.S. metropolitan State, is such as to keep alive the threat from “terrorism”. The aggression on Libya clearly demonstrates this.

One important conclusion that emerges from the foregoing is that the hope for a “peaceful capitalism” is a chimera. The basic reason for this is that capitalism requires imperialism as an economic necessity, though the specific nature of contemporary imperialism is shaped by the domination of the globe by international finance capital, which is significantly, but not exclusively, metropolitan, and which has fractions within the third world as well. There is however an additional reason for this, namely that the “non-economic superstructure” (to use Lenin’s words) in the era of international finance capital necessitates, for the social legitimacy of the bourgeois State, the location of an outside enemy against which the entire society can be united. And once

such an enemy is located, peaceful co-existence with it becomes impossible.

Everything that has been said till now has any relevance for Africa as well. The post-colonial State, which undertook public investment and built up the public sector, was also supported by a bureaucracy, substantial segments of which were influenced by the Pan-African ideology. This was true of other *dirigiste* regimes of the third world as well. Michael Kalecki's (1972) proposition that these regimes constituted "intermediate regimes" where the petty bourgeoisie constituted the ruling class was no doubt an exaggeration, but the relatively autonomous *bourgeois State* which apparently acted in the interests of society as a whole (even to the point of institutionalizing "planned development" and calling itself "socialist") certainly acquired its specific character, its *distance* from the capitalist class, by drawing its personnel from the ranks of the petty bourgeoisie, both urban and rural. The State personnel drawn from the ranks of the petty bourgeoisie were generally skeptical about, and even to a degree hostile to, the capitalist class and were committed to State capitalism which they also saw as a means of self-advancement in the new situation of de-colonization. The State was a bourgeois State, laying the foundations for capitalist development. But the motivation, the ideological inclinations, and the class background of the State personnel ensured that the State had a degree of autonomy both vis-à-vis imperialism and also vis-à-vis the domestic capitalists.

The contradictions, both at the domestic and at the international levels that led to the superseding of the *dirigiste* strategy by the neo-liberal one need not detain us here. But associated with the neo-liberal strategy, which is but an expression of closer integration into the world of globalized finance, there is a different set of State personnel. The "neo-liberal State" too is a bourgeois State like the *dirigiste* State, but the personnel of the former differ fundamentally from the personnel of the latter, not just in their ideological predilections, which are closely aligned to the views of the Bretton Woods institutions, *but also in their being deeply enmeshed with the world of finance and big business*. What we find in today's State personnel is not just a different set of ideologues, World Bank ideologues, as distinct from the Nehruvian ideologues that

manned the *dirigiste* bourgeois State, but a set whose motivation is no different from that of the big bourgeoisie and financial interests and which therefore has no compunctions about being closely integrated with the latter.

The undermining of the social legitimacy of the State that results from this, especially in the context of the tremendous increase in wealth and income inequalities associated with the pursuit of the neo-liberal strategy, and the quest for an alternative source of legitimacy, through the concoction of a mixed brew of two notions, of the “nation” becoming a superpower (“India shining”), and of the “nation” being under threat from external enemies supported by an internal “fifth column”, are phenomena which are all too visible in the Indian case.

Two points follow from the above argument. First, the view that is fondly entertained by many, including people of progressive persuasion, that the amelioration of the abysmal conditions of life for the bulk of our population can be achieved through the pursuit of the neo-liberal strategy, which ushers in high growth rates, is completely wrong. It is wrong not just because of well-known economic reasons, namely the low employment elasticity of such growth (“jobless growth”), and the *decline* in employment elasticity that occurs with an *acceleration* of such growth. It is wrong for an additional reason as well, having to do with the “non-economic superstructure”, namely: **that the State which pursues the neo-liberal strategy is intrinsically incapable of ameliorating the distress of the poor.** Its personnel, precisely because of the pursuit of the neo-liberal strategy, are too enmeshed with big business and financial interests, too embroiled in the world of “money-making”, to be even capable of ushering in any change in the living conditions of the poor. When the Planning Commission in its **Plan talks** of high growth providing the enabling condition for the removal of distress, or when the Prime Minister thinks that an acceleration of growth to ten percent will remove distress, what they ignore is that the neo-liberal State that is supposed to bring in high growth is intrinsically incapable of removing any distress.

In Kerala, Wyanad is one of the poorer districts which has witnessed the maximum number of peasant suicides. A number of “packages” of Central assistance have been announced for this district. But very few officers are willing to go to this district either as District Collectors or as Medical Officers, or to take charge of public educational establishments. Money lies unspent since the personnel of the State, far from being interested in spending the money, are not willing even to get posted to that district. What is true of Wyanad is true of other poorer districts of Kerala, and what is true of Kerala is certainly true of other states as well. The personnel of the neo-liberal State which show great alacrity in taking up the so-called “development projects” related to the so-called “infrastructure” sector, which is often a euphemism for land speculation, are too enmeshed with the financial interests that promote such projects to have any time for poverty alleviation.

The matter relates not just to anti-poverty programs. The personnel of the neo-liberal State have little interest in running the public sector, which is one reason why the public sector becomes financially unviable over time and provides grist to the mill of those who want it privatized. Even normal government functions are not carried out by the bureaucracy, which is more interested in networking with patrons in the world of corporates and foreign donors, or in attending World Bank-sponsored training programs, than in the nitty-gritty of administration. More and more government functions as a result are “outsourced” to private agencies, which promise profits for all. The neo-liberal State that is so enmeshed with financial and big business interests thus becomes intrinsically incapable of undertaking any poverty alleviation, a fact that only underscores the vacuity of the “stages theory” which advocates neo-liberal policies in the “first stage”, as a means of preparing the ground for redistribution in the “second stage”.

The second point which follows from our argument is that, notwithstanding the current interregnum, the tendency towards violence and repression by the State on the one hand (which in turn generates counter-violence), and jingoism and the aggressive pursuit of the agenda of becoming a big power on the other, will continue to

operate in India, as elsewhere, in the era of neo-liberalism. Notwithstanding the much-hyped high growth rate, the dream of a peaceful and prosperous India will continue to elude us. The *Hindutva* forces may be in disarray at the moment, and may continue to be in disarray in the foreseeable future, but the basic agenda of repression-cum-big power chauvinism that they had launched will continue to haunt Africa, since that agenda is in conformity with the essential character of the neo-liberal State. It is not just the economic tendencies pushing large numbers of African people into the ranks of the excluded and the marginalized that would provoke protest and retaliatory violence by the State. The State in Africa will have a tendency towards inflicting unilateral unprovoked violence against some perceived “enemy of the people” as a means of furbishing its social legitimacy.

Neoliberal State, Wealth and Power

On June 4, 2012, Sara Abbas described democracy in Mali as a “Festival of Robbers”. Her explanation is that the political crisis in Mali, precipitated by a military coup d’état on 22 March that toppled the country’s increasingly unpopular president, Amadou Toumani Touré (popularly known as ATT), continues to deepen. Up until the coup, Mali had long been regarded as a bastion of democracy in an otherwise volatile region. Several observers of Malian politics have noted that the current political crisis, exemplified in the very occurrence of the coup, has challenged this narrative. They argue that analyses of the crisis have neglected to examine the ways in which it laid bare the corruption of the Malian state and the increasingly evident failures of the neoliberal framework within which it formulated its policies.

Regardless of the coup leaders motives, which are by all indications self-serving, it is clear that their populist rhetoric has hit a nerve with a segment of Malian society. Understanding the sense of resentment with which many Malians regard Touré’s tenure is difficult without looking back at 1991, a seminal year in Mali’s history. As Stephen Zunes writes in *opendemocracy.net*,

Two decades prior to similar pro-democracy uprisings in Tunisia and Egypt, Malians engaged in a massive nonviolent resistance campaign that brought down the dictatorship of Moussa Traoré. A broad mobilization of trade unionists, peasants, students, teachers, and others ... created a mass movement throughout the country. Despite the absence of *Facebook* or the *Internet*, virtually no international media coverage, and the massacre of hundreds of peaceful protesters, this popular civil insurrection succeeded not only in ousting a repressive and corrupt regime, but ushered in more than two decades of democratic rule.

In a widely-circulated piece from Jeune Afrique, Malian writer Moussa Konaté cautions, however, against equating elections with democracy, and argues that in fact, Moussa Traoré's dictatorship was replaced by a "Mafia" for whom personal gain is paramount. Elections were mere parodies, for those who were supposedly competing for popular votes were making secret deals to put in power whoever could best defend their interests. The play was so well acted that the world praised 'Malian democracy'. Little by little, the Malian state became the private property of the political class and its accomplices in the civil service and in business.

This "illegitimate democracy" manifested itself in the failure of the state to challenge the structural inequalities that plague Malian society, and that led to the nonviolent uprisings of the early 1990s. Gradually, thanks in no small part to the impunity with which the political class and their rich allies appropriated public resources for private gain, the state came to be perceived not so much as impotent, but as a driver of inequality in its own right.

Efforts by the Malian political class to rebuild the state along previous lines as futile and counterproductive. He believes that the coup disrupted "a true festival of robbers," and that Malians, equally disillusioned with the old democracy as they are with dictatorship, are ready to take matters into their own hands through mass movement building. In a rather optimistic reading of the political moment, he writes that "a new African spring is now enshrined in the pages of the new history of Mali. Its gestation will certainly be difficult and painful.

But by wanting to stop it, to contain it, it will become more charged with pressure, more violent, more radical.”

Mali is not alone in this predicament in Africa. The critical question is: Can rule by the wealthy few be possible despite free speech, regular elections, and organized opposition in Africa? Let us demonstrate its possibility:

- “The rich” coalesce into a social upper class that has developed institutions by which the children of its members are socialized into an upper-class worldview, and newly wealthy people are assimilated.
- Members of this upper class control corporations, which have been the primary mechanisms for generating and holding wealth in the United States for upwards of 150 years now.
- There exists a network of nonprofit organizations through which members of the upper class and hired corporate leaders not yet in the upper class shape policy debates in the United States.
- Members of the upper class, with the help of their high-level employees in profit and nonprofit institutions, are able to dominate the federal government in Washington.
- The rich, and corporate leaders, nonetheless claim to be relatively powerless.
- Working people have less power than in many other democratic countries.

Before running through this list, it is first necessary to define the term “power” and to explain the “indicators” of power that are used to determine who has it. Later other concepts will be introduced as they are needed. They include “social class,” “upper class,” “corporate community,” “interlocking directorates,” the “policy-planning network,” the “power elite,” the “special-interest process,” the “candidate-selection process,” and a few others. All of these concepts are necessary in order to understand the nature and operation of the “power structure” in the United States.

Power and Power Indicators

Power is one of those words that is easy to understand but hard to define in a precise manner. We know it means “clout” or “juice” or

“muscle” or “the ability to make things happen.” We know it comes from words implying the ability to act in a strong, compelling, and direct way, but we also know that power can be projected in a very quiet and indirect manner. By “power” I mean “the capacity of some persons to produce intended and foreseen effects on others” (Wrong, 1995). This is a very general definition that allows for the many forms of power that can be changed from one to another, such as economic power, political power, military power, ideological power, and intellectual power (i.e., knowledge, expertise). It leaves open the question of whether “force” or “coercion” is always lurking somewhere in the background in the exercise of power, as many definitions imply.

However, to say that power is the ability to produce intended and foreseen effects on others does not mean it is a simple matter to study the power of a group or social class. A formal definition does not explain how a concept is to be measured. In the case of power, it is seldom possible to observe interactions that reveal its operation even in a small group, let alone to see one “social class” producing “effects” on another. It is therefore necessary to develop what are called “indicators” of power.

For research purposes, power can be thought of as an underlying “trait” or “property” of a social group or social class. It is measured by a series of signs, or indicators, that bear a probabilistic relationship to it. This means that all the indicators do not necessarily appear each and every time power is manifesting itself. Research proceeds through a series of “if-then” statements: “if” a group or class is powerful, “then” it should be expected that certain indicators of this power will be present. It is especially important to have more than one indicator. Ideally, the indicators will be of very different types so that any irrelevant components in them will cancel each other out. In the best of all possible worlds, these multiple indicators will point to the same group or class, increasing the likelihood that the underlying concept has been measured correctly.

There are three primary indicators of power, which can be summarized as (1) who benefits? (2) who governs? and (3) who wins? In every society there are experiences and material objects that are

highly valued. If it is assumed that everyone in the society would like to have as great a share as possible of these experiences and objects, then the distribution of values in that society can be utilized as a power indicator. Those who benefit the most, by inference, are powerful. In American society, wealth and well-being are highly valued. People seek to own property, earn high incomes, to have interesting and safe jobs, and to live long and healthy lives. All of these “values” are unequally distributed, and all may be utilized as power indicators.

Power also can be inferred from studies of who occupies important institutional positions and takes part in important decision-making groups. If a group or class is highly over-represented in relation to its proportion of the population, it can be inferred that the group is powerful. If, for example, a group makes up 10% of the population but has 50% of the seats in the main governing institutions, then it has five times more people in governing positions than would be expected by chance, and there is thus reason to believe that the group is a powerful one.

There are many policy issues over which groups or classes disagree. In the United States different policies are suggested by opposing groups in such “issue-areas” as foreign policy, taxation, welfare, and the environment. Power can be inferred from these issue conflicts by determining who successfully initiates, modifies, or vetoes policy alternatives. This indicator, by focusing on actions within the decision-making process, comes closest to approximating the process of power that is contained in the formal definition, but it must be stressed that it is no less an inference to say that who wins on issues is an indicator of “power” than with the other two types of empirical observations—value distributions and positional over-representation—that are used as power indicators.

The decisional (who wins) indicator is also the most difficult to use in an accurate way. First, it is often difficult to gain access to decision-makers to interview them, much less observe them in action. Second, aspects of a decision process may remain hidden. Third, some informants may exaggerate or play down their roles. Fourth, and not least, people’s memories about who did what often become cloudy shortly after the event. Those are some of the reasons why social

scientists often end up relying on written records about key decisions, but they often are not available until years later. So we end up historians as well as social scientists, or depending on historians for much basic information.

In summary, all three of the power indicators have strengths and weaknesses. However, these weaknesses present no serious problem. This is because each of these indicators involves different kinds of information drawn from very different kinds of studies. The case for the power of a group or class should only be considered a convincing one if all three types of indicators “triangulate” on one particular group or social class.

The Social Upper Class

One good starting point for the study of power is a careful consideration of the small social upper class at the top of the wealth, income, and status ladders. This is because the social upper class is the most visible and accessible aspect of the power equation. It is not necessarily the heart of the matter, but it is nonetheless the best place to get a handle on the overall power structure.

By a “social class” I mean a set of intermarrying and interacting families who see each other as equals, share a common style of life, and have a common viewpoint on the world. This general definition is accepted by most social scientists whatever their views on the distribution of power. By the “social upper class,” hereafter to be called simply “the upper class,” I mean that social class that is commonly agreed by most members of the society to be the “top” or “elite” or “exclusive” class. In various times and places Americans have called such people the “high hats,” the “country club set,” the “snobs,” and the “rich.” In turn, members of this class recognize themselves as distinctive. They call themselves such names as the “old families,” the “established families,” and the “community leaders.”

The upper class probably makes up only a few tenths of one percent of the population. For research purposes, I use the conservative estimate that it includes 0.5% to 1% of the population for determining the over-representation of its members in corporations,

nonprofit organizations, and the government. Members of the upper class live in exclusive suburban neighborhoods, expensive downtown co-ops, and large country estates. They often have far-away summer and winter homes as well. They attend a system of private schools that extends from pre-school to the university level; the best known of these schools are the “day” and “boarding” prep schools that take the place of public high schools in the education of most upper-class teenagers. Adult members of the upper class socialize in expensive country clubs, downtown luncheon clubs, hunting clubs, and garden clubs. Young women of the upper class are “introduced” to high society each year through an elaborate series of debutante teas, parties, and balls. Women of the upper class gain experience as “volunteers” through a nationwide organization known as the Junior League, and then go on to serve as directors of cultural organizations, family service associations, and hospitals (see Kendall, 2002, for a good account of women of the upper class by a sociologist who was also a participant in upper-class organizations).

These various social institutions are important in creating “social cohesion” and a sense of in-group “we-ness.” This sense of cohesion is heightened by the fact that people can be excluded from these organizations. Through these institutions young members of the upper class and those who are new to wealth develop shared understandings of how to be wealthy. Because these social settings are expensive and exclusive, members of the upper class usually come to think of themselves as “special” or “superior.” They think they are better than other people, and certainly better able to lead and govern. Their self-confidence and social polish are useful in dealing with people from other social classes, who often admire them and defer to their judgments.

For research purposes, the important thing about these social institutions is that they provide us with a starting point for systematic studies of power. For example, these class “indicators” allow us to determine which economic and political leaders are and are not members of the upper class. Put another way, class indicators allow us to trace members of the upper class into the economic, political, and ideological power systems of the society.

Starting with these class indicators, we can show that the upper class is nationwide as well as transnational in its scope. This is because there is “overlapping” membership among the many social clubs around the world. A person from Abuja in Nigeria, for example, might belong to clubs in Texas, New York, Boston, and San Francisco, implying that he or she interacts with upper-class counterparts in those cities. By comparing dozens of club membership lists, we have been able to establish the “density” of this club network. Similarly, the alumni lists of exclusive private schools reveal that their students come from all parts of the country. The summer addresses of those members of the upper class who are listed in in-group telephone books called *blue books* and *social registers* show that people from all parts of the country mingle together at secluded summer resorts that have been upper-class watering holes for many generations.

But here we must enter our first caution. The class indicators are not perfect. Some members of the upper class do not join clubs, or list in a social register, or reveal their school affiliations in such sources as, for example, *Who's Who in America* that we have to rely on for much of our information. We cannot trace such people through the power system. They are counted as not being upper class when they really are. On the other hand, there are local, or scholarship children (often people of color) at some prep schools who are not members of the upper class and some honorary members of social clubs are not upper class. They are counted as upper class when they really are not. In large-scale studies, these two kinds of mistakes tend to cancel each other out, so in general we obtain an accurate picture. But it is true that the class indicators could be wrong on specific individuals. They are useful for group studies, not for identifying individuals.

Cautions aside, there is no doubt that there is a nationwide upper class in the United States with its own distinctive social institutions, lifestyle, and outlook. There is also no doubt that most of these people are active in business or the professions, and that all of them are very wealthy. Their great wealth is obvious, of course, from the large sums that it takes to maintain their homes and their style of life, but systematic studies also show that the wealthiest families are part of the social institutions of the upper class. Combining our studies with

findings by economists on the wealth and income distributions, it is possible to say that the upper class, comprising 0.5% to 1% of the population, owns 35-40% of all privately held wealth in the United States and receives 12-15% of total yearly income. In short, the upper class scores very high on the “who benefits” power indicator. The wealth and income of members of the upper class certainly imply that the upper class is powerful, but they do not demonstrate how power operates. It is therefore necessary to turn to studies of the economy to gain further understanding of the American power structure.

The Corporate Community

Major economic power in the United States is concentrated in an organizational and legal form known as the corporation, and has been since the last several decades of the 19th century. No one doubts that individual corporations have great power in the society at large. For example, they can hire and fire workers, decide where to invest their resources, and use their income in a variety of tax-deductible ways to influence schools, charities, and governments. The argument begins over whether the large corporations are united enough to exert a common social power, and then moves to the question of whether they are still controlled by members of the upper class.

The unity of the corporations can be demonstrated in a number of ways. They share a common interest in making profits. They are often owned by the same families or financial institutions. Their executives have very similar educational and work experiences. It is also important for their sense of unity that corporate leaders see themselves as sharing common opponents in organized labor, environmentalists, consumer advocates, and government officials. A sense of togetherness is created as well by their use of the same few legal, accounting, and consulting firms.

However, the best way to demonstrate the unity among corporations is through the study of what are called “interlocking directors,” meaning those individuals who sit on two or more of the boards of directors that are in charge of the overall direction of the corporation. Boards of directors usually include major owners, top

executives from similar corporations or corporations located in the same area, financial and legal advisors, and the three or four officers who run the corporation on a daily basis. Several studies show that those 15-20% of corporate directors who sit on two or more boards, who are called the “inner circle” of the corporate directorate, unite 80-90% of the largest corporations in the United States into a well-connected “corporate community.”

Most social scientists agree that corporations have a strong basis for cohesion. However, there is disagreement over their relationship to the upper class. Some theorists, the pluralists, say that members of the upper class used to dominate corporations, but not any more due to their increase in size, the need for highly trained and specialized executives, and the decline in family ownership. Thus, there is an upper class of rich families with one set of interests and a group of professional business executives who have their own interests and power base. Members of the upper class have power based on their wealth, and corporate executives have organizational power.

Contrary to this claim of a division between owners and managers, I think there is strong evidence for the idea of great overlap in membership and interest between the upper class and the corporate community. The wealthiest and most cohesive upper-class families often have “family offices” through which they can bring to bear the concentrated power of their collective stock ownership, sometimes placing employees of the office on boards of directors. Then too, members of the upper class often control corporations through financial devices known as “holding companies,” which purchase a controlling interest in operating companies. More generally, members of the upper class own roughly half of all corporate stock. Then too, upper-class control of corporations can be seen in its over-representation on boards of directors.

Several past studies show that members of the upper class sit on boards far more than would be expected by chance. They are especially likely to be part of the “inner circle” that has two or more directorships. According to the “who governs” power indicator, the upper class still controls the corporate community. Thus, we can conclude that the upper class is rooted in the ownership and control of

the corporations that comprise the corporate community. We can say that members of the upper class are for the most part a “corporate rich” who continue to be involved in the business world as investors, venture capitalists, bankers, corporate lawyers, and top executives.

True enough, there are many top corporate executives who did not grow up in the upper class. Most CEO’s of major corporations do not come from the upper class. However, they are gradually socialized into the upper class and its values as they move up the corporate ladder; indeed, they are advanced on the basis of their ability to fulfill upper-class goals of corporate expansion and profitability. In return, these rising managers are given the opportunity to buy corporate stock at below-market prices, paid very high salaries, and given other “perks” that make it possible for them to join the upper class economically as well as socially. The end result is a strengthening of the power of the upper class, not a diminution of it.

Government Policy Shaped From Outside Government

The upper class and the closely related corporate community do not stand alone at the top of the power structure. They are supplemented by a wide range of nonprofit organizations that play an important role in framing debates over public policy and in shaping public opinion. These organizations are often called “nonpartisan” or “bipartisan” because they are not identified with politics or with either of the two major political parties. But they are the real “political party” of the upper class in terms of insuring the stability of the society and the compliance of government.

Upper-class and corporate dominance of the major nonprofit organizations can be seen in their founding by wealthy members of the upper class and in their reliance on large corporations for their funding. However, dominance is once again most readily demonstrated through studies of boards of directors, which have ultimate control of the organizations, including the ability to hire and fire top executives. These studies show that (1) members of the upper class are greatly over-represented on the boards of these organizations, and (2) that nonprofit organizations share a large number of directors in common

with the corporate community, particularly directors who are part of the “inner circle.” In effect, most large nonprofit organizations are part of the corporate community.

All the organizations in the nonprofit sector have a hand in creating the framework of the society in one way or another, and hence in helping to shape the political climate. The cultural and civic organizations set the standard for what is beautiful, important, and “classy.” The elite universities play a big part in determining what is important to teach, learn, and research, and they train most of the professionals and experts in the country. However, it is the foundations, think tanks, and policy-discussion organizations that have the most direct and important influences. Their ideas, criticisms, and policy suggestions go out to the general public through a wide array of avenues, including pamphlets, books, local discussion groups, mass media, and not least, the public relations departments of major corporations. Their materials also reach government through a variety of means that will be outlined shortly.

It is worthwhile to look a little more closely at the foundations, think tanks, and policy-discussion organizations to show how they function as a “policy-planning network.” Tax-free foundations receive their money from wealthy families and corporations. Their primary purpose is to provide money for education, research, and policy discussion. They thus have the power to encourage those ideas and researchers they find compatible with their values and goals, and to withhold funds from others. Support by major foundations often has had a significant impact on the direction of research in agriculture, social science, and the health sciences. However, foundations also create policy projects on their own. The Ford Foundation, for example, helped to create a complex network of advocacy groups and funding sources for Community Development Corporations (CDCs) that provide housing and social services in the inner city.

The role of the think tanks is to suggest new policies to deal with the problems facing the economy and government. Using money from wealthy donors, corporations, and foundations, think tanks hire the experts produced by the graduate departments of the elite universities. The ideas and proposals developed by the experts are disseminated

through pamphlets, books, articles in major magazines and newspapers, and, most importantly, through the participation of the experts themselves in the various forums provided by the policy-discussion organizations.

The policy-discussion organizations are the hub of the policy-planning network. They bring together wealthy individuals, corporate executives, experts, and government officials for lectures, forums, meetings, and group discussions of issues that range from the local to the international, and from the economic to the political to the cultural. New ideas are tried out in weekly or monthly discussion groups, and differences of opinion are aired and compromised. These structured discussion groups usually begin with a presentation by the invited experts, followed by questions and discussion involving all participants. Such discussion groups may range in size from ten to 50, with the usual group having fifteen to 25 members.

The many discussion groups that take place within the several policy-discussion organizations have several functions that do not readily meet the eye. They are often overlooked by theorists -- pluralists and state-autonomy theorists, primarily—who do not believe that the upper class and corporate community have the ability to develop overall policy sophistication and thereby be in a position to influence the government. First, these organizations help to familiarize busy corporate leaders with policy options outside the purview of their day-to-day business concerns. This gives these executives the ability to influence public opinion through the mass media and other outlets, to argue with and influence experts, and to accept appointments for government service. Second, the policy-discussion organizations give members of the upper class and corporate community the opportunity to see which of their colleagues seem to be the best natural leaders through watching them in the give and take of the discussion groups. They can see which of their counterparts understand the issues quickly, offer their own ideas, facilitate discussions, and relate well to experts. The organizations thus serve as sorting and screening mechanisms for the emergence of new leadership for the corporate rich in general.

Third, these organizations legitimate their participants to the media and interested public as knowledgeable leaders who deserve to be

tapped for public service because they have used their free time to acquaint themselves with the issues in nonpartisan forums. The organizations thereby help make wealthy individuals and corporate executives into “national leaders” and “statesmen.” Finally, these organizations provide a forum wherein members of the upper class and corporate community can come to know policy experts. This gives them a pool of people from which they can draw advisors if they are asked to serve in government. It also gives them a basis for recommending experts to politicians for government service. The organizations also serve obvious functions for the experts. First, presenting their ideas and policies to these organizations gives them an opportunity to have influence. Second, it gives them a chance to advance their own careers if they can impress the upper-class and corporate participants.

The policy-planning network is not totally homogeneous. Reflecting differences within the corporate community, there are moderate-conservative and ultra-conservative wings within it. Moderate conservatives favor foreign aid, low tariffs, and increased economic expansion overseas, whereas the ultra-conservatives tend to see foreign aid as a giveaway. Moderate conservatives tend to accept the idea that governmental taxation and spending policies can be used to stimulate and stabilize the economy, but ultra-conservatives insist that taxes should be cut to the very minimum and that government spending is the next thing to evil. Moderate conservatives accept some welfare-state measures, or at least they support such measures in the face of serious social disruption. Ultra-conservatives have consistently opposed any welfare spending, claiming that it destroys moral fiber and saps individual initiative, so they prefer to use arrest and detention when faced with social unrest.

The reasons for these differences are not well understood. There is a tendency for the moderate-conservative organizations to be directed by executives from the very largest and most internationally oriented of corporations, but there are numerous exceptions to that generalization. Moreover, there are corporations that support policy organizations within both camps. However, for all their differences, leaders within the two clusters of policy organizations have a tendency to search for

compromise due to their common membership in the upper-class and corporate community. When compromise is not possible, the final resolution of policy conflicts often takes place in legislative struggles in Congress. The existence of the policy-planning network provides evidence for another form of power possessed by the wealthy few: expertise on social and political issues. It is an important complement to the naked economic power possessed by the corporations.

The Power Elite

Now that the upper class, corporate community, and policy-planning network have been defined and described, it is possible to discuss the leadership group that I call the “power elite.” I define the power elite as the leadership group of the upper class. It consists of active-working members of the upper class and high-level employees in profit and nonprofit institutions controlled by members of the upper class through stock ownership, financial support, or involvement on the board of directors. This does not mean that all members of the upper class are involved in governing. Some are only playboys and socialites; their social gatherings may provide a setting where members of the power elite mingle with celebrities, and sometimes they give money to political candidates, but that is about as close as they come to political power.

Conversely, not all those involved in the power elite are members of the upper class. They are sons and daughters of the middle class, and occasionally, the blue-collar working class, who do well at any one of several hundred private and state universities, and then go to grad school, MBA school, or law school at one of a handful of elite universities—e.g., Harvard, Yale, Princeton, Columbia, MIT, Johns Hopkins, University of Chicago, and Stanford. From there they go to work for a major corporation, law firm, foundation, think tank, or university, and slowly work their way to the top.

The idea of the power elite intertwines class theory and organizational theory, two theories which are often thought of as distinctive or even as rivals. The basis for the intertwining of the two theories is to be found in the role and composition of the boards of

directors that govern every large profit and nonprofit organization in the United States. It is on boards of directors that the values and goals of the upper class are integrated with those of the organizational hierarchy. Upper-class directors insure that their interests are infused into the organizations they control, but the day-to-day organizational leaders on the board are able to harmonize class interests with organizational principles.

It is important to stress that I am not saying that all experts are members of the power elite. People have to be high-level employees in institutions controlled by members of the upper class to be considered part of the power elite. Receiving a fellowship from a foundation, spending a year at a think tank, or giving advice to a policy-discussion organization does not make a person a member of the power elite. It also may be useful to note that there are many experts who never go near the policy-planning network. They focus on their teaching and research, or work for groups that oppose the policies of the power elite. In short, experts and advisers are a separate group just below the power elite in the pecking order. With the composition of the power elite clearly stated, it is now possible to show how it dominates the federal government in the interest of the upper class and corporate community.

The Power Elite and Government

Members of the power elite directly involve themselves in the federal government through three basic processes, each of which has a slightly different role in ensuring “access” to the White House, Congress, and specific agencies, departments, and committees in the executive branch. Although some of the same people are involved in all three processes, most leaders specialize in one or two of the three processes. These three processes are:

1. The special-interest process, through which specific families, corporations, and industrial sectors are able to realize their narrow and short-run interests on taxes, subsidies, and regulation in their dealings with congressional committees, regulatory bodies, and executive departments;

2. The policy-making process, through which the policies developed in the policy-planning network described earlier are brought to the White House and Congress;

3. The candidate selection process, through which members of the power elite influence electoral campaigns by means of campaign donations to political candidates.

Power elite domination of the federal government can be seen most directly in the workings of the corporate lobbyists, backroom super-lawyers, and industry-wide trade associations that represent the interests of specific corporations or business sectors. This special-interest process is based in varying combinations of information, gifts, insider dealing, friendship, and, not least, promises of lucrative private jobs in the future for compliant government officials. This is the aspect of business-government relations described by journalists and social scientists in their case studies.

While these studies show that the special interests usually get their way, the conflict that sometimes erupts within this process, occasionally pitting one corporate sector against another, reinforces the image of widely shared and fragmented power in America, including the image of a divided corporate community. Moreover, there are some defeats suffered by the corporate rich in the special-interest process. For example, laws that improved auto safety standards were passed over automobile industry objections in the 1970s, as were standards of water cleanliness opposed by the paper and chemical industries.

Policies of concern to the corporate community as a whole are not the province of the special-interest process. Instead, such policies come from the network of foundations, think tanks, and policy-discussion organizations discussed in an earlier section. The plans developed in the organizations of the policy-planning network reach the federal government in a variety of ways. On the most general level, their reports, news releases, and interviews are read by elected officials and their staffs, either in pamphlet form or in summary articles in the *Washington Post*, *New York Times*, and *Wall Street Journal*. Members of the policy-planning network also testify before congressional committees and subcommittees that are writing legislation or preparing budget

proposals. More directly, leaders from these organizations are regular members of the dozens of little-known committees that advise specific departments of the executive branch on general policies, making them in effect unpaid temporary members of the government. They are also very prominent on the extremely important presidential commissions that are appointed to make recommendations on a wide range of issues from foreign policy to highway construction. They also serve on the little-known federal advisory committees that are part of just about every department of the executive branch. Finally, and crucially, they are appointed to government positions with a frequency far beyond what would be expected by chance. Several different studies show that top cabinet positions in both Republican and Democratic administrations are held by members of the upper class and corporate executives who are leaders in policy-discussion organizations.

The general picture that emerges from the findings on the overrepresentation of members of the power elite in appointed governmental positions is that the highest levels of the executive branch are interlocked constantly with the upper class and corporate community through the movement of executives and lawyers in and out of government. Although the same person is not in governmental and corporate positions at the same time, there is enough continuity for the relationship to be described as one of “revolving interlocks.” Corporate leaders resign their numerous directorships in profit and nonprofit organizations to serve in government for two or three years, then return to the corporate community or policy-planning network. This system gives them temporary independence from the narrow concerns of their own organizations and allows them to perform the more general roles they have learned in the policy-discussion groups. They then return to the private sector with useful personal contacts and information.

As important as the special-interest and policy-planning processes are for the power elite, they could not operate successfully if there were not sympathetic, business-oriented elected officials in government. That leads us to the third process through which members of the power elite dominate the federal government, the candidate-selection process. It operates through the two major political

parties. For reasons to be discussed in a moment, the two parties have very little role in political education or policy formation; they are reduced to the function of filling offices. That is why the American political system can be characterized as a “candidate-selection process.”

The main reason the political system focuses on candidate selection to the relative exclusion of political education and policy formulation is that there can be only two main parties due to the structure of the government and the nature of the electoral rules. The fact that Americans select a president instead of a parliament, and elect legislators from “single-member” geographical areas (states for the Senate, districts for the House) leads to a two-party system because in these “winner-take-all” elections a vote for a third party is a vote for the person’s least desired choice. A vote for a very liberal party instead of the Democrats, for example, actually helps the Republicans. Under these rules, the most sensible strategy for both the Democrats and Republicans is to blur their policy differences in order to compete for the voters with middle-of-the-road policy views, or no policy views at all.

Contrary to what many believe, then, American political parties are not very responsive to voter preferences. Their candidates are fairly free to say one thing to get elected and to do another once in office. This contributes to confusion and apathy in the electorate. It leads to campaigns where there are no “issues” except “images” and “personalities” even when polls show that voters are extremely concerned about certain policy issues. You don’t raise unnecessary issues during a campaign, one successful presidential candidate once said.

It is precisely because the candidate-selection process is so personalized, and therefore dependent on name recognition, images, and emotional symbolism that it can be in good part dominated by members of the power elite through the relatively simple and direct means of large campaign contributions. Playing the role of donors and money raisers, the same people who direct corporations and take part in the policy-planning network have a crucial place in the careers of most politicians who advance beyond the local level or state

legislatures in states with large populations. Their support is especially important in party primaries, where money is an even larger factor than in general elections.

The two-party system therefore results in elected officials who are relatively issueless and willing to go along with the policies advocated by those members of the power elite who work in the special-interest and policy-planning processes. They are motivated by personal ambition far more than they are by political conviction. Still, there are some extremely conservative elected Republicans who often oppose power elite proposals, claiming that such policies are the work of secret communists or pointy-headed intellectuals out to wreck the “free enterprise” system. There also are many Democrats from blue-collar and university districts who consistently oppose power elite policies as members of the liberal-labor coalition. However, both the ultra-conservatives and the liberals are outnumbered by the “moderates” of both parties, especially in key leadership positions in Congress. After many years in Congress the elected liberals decide to “go along to get along” because Congress has a way of grinding anybody down.

Although members of the power elite are far and away the most important financial backers for both parties, this does not mean that there are no differences between the two parties. The leadership levels have intra-class differences, and the supporters tend to have inter-class differences. The Republican Party is controlled by the wealthiest families of the upper class and corporate community, who are largely Protestant in background. The Democratic Party, on the other hand, is the party of the “fringes” of the upper class and power elite. Although often called “the party of the common person,” it was in fact the party of the Southern segment of the upper class until very recently. The power of the Southern Democrats in the party and in Congress was secured in a variety of ways, the most important of which was the seniority system for selecting committee chairs in Congress.

By tradition, the person who has been on the committee longest just about automatically becomes the chair; this avoids conflict among members of the party. However, the underlying point is that the one-party system in the South and the exclusion of African-Americans from the voting booth until the mid-1960s gave the Southern planters

and merchants power at the national level through the Democratic Party out of all proportion to their wealth and numbers. Thus, it is not necessarily the wealthiest people who rule. The nature of the political system also enters into the equation. But the Southern elites are not poor; they are only less rich than many of their Northern counterparts.

The Southerners dominated the Democratic Party in alliance with the “ethnic rich” in the North, meaning wealthy Jews and Catholics who were shunned or mistreated by the rich Protestants. The businesses they owned were often local or smaller than those of the Republican backers, and they usually were excluded from the social institutions of the upper class. These ethnic rich were the primary financial supporters of the infamous “political machines” that dominated Democratic politics in most large northern cities.

The alliance between the Southern segment of the upper class and the Northern ethnic rich usually was able to freeze out the policy initiatives of the party’s liberal-labor coalition through its control of congressional committees, although there was a time (1940 to 1975) when labor unions had significant influence on the Democrats. When that alliance broke down on certain issues because the machine Democrats sided with the liberals and labor, then the Southern Democrats joined with Northern Republicans to create the “conservative coalition,” AKA “the conservative voting bloc,” wherein a majority of Southern Democrats and a majority of Northern Republicans voted together against the Northern Democrats.

This conservative coalition most often formed around the issues that reflect class conflict in the legislative arena—civil rights, union rights, social welfare, and business regulation. Legislation on any of these issues weakens employers in the face of workers and their unions, so it is not surprising that the conservative coalition is based on the shared interests of Northern and Southern employers. This alliance won far more often than it lost in the years between 1937, when it was formed, and the 1990s, when it disappeared for the simple reason that many of the Southerners had become Republicans.

Once the Voting Rights Act of 1965 was in effect, the Democratic Party was slowly changed because African-Americans in the South were able to vote against the worst racists in the party primaries. The

gradual industrialization also was causing changes. As a result of these two forces, Southern whites started to move into the Republican Party, which thus became the party of wealthy employers in both the North and South. In that context, the Democratic Party is slowly becoming what many always thought it to be, the party of liberals, minorities, workers, and the poor. In summary, the special-interest process, policy-planning process, and campaign finance make it possible for the power elite to win far more often than it loses on the policy issues that come before the federal government. The power elite are also greatly over-represented in appointed positions, presidential blue-ribbon commissions, and advisory committees within the government. In terms of both the “who wins” and “who governs” power indicators, the power elite dominates the federal government.

However, this domination does not mean control on each and every issue, or lack of opposition, and it does not rest upon government involvement alone. Involvement in government is only the final and most visible aspect of power elite domination, which has its roots in the class structure, the nature of the economy, and the functioning of the policy-planning network. If government officials did not have to wait on corporate leaders to decide where and when they will invest, and if government officials were not further limited by the acceptance of the current economic arrangements by the large majority of the population, then power elite involvement in elections and government would count for a lot less than it does under present conditions.

Why Business Leaders Feel Powerless

Despite these various kinds of objective evidence that the power elite have great power in relation to the federal government, many corporate leaders feel that they are relatively powerless in the face of government. To hear them tell it, Congress is more responsive to organized labor, environmentalists, and consumers. They also claim to be harassed by willful and arrogant bureaucrats. These negative feelings toward government are not a new development, contrary to those who blame the New Deal and the social programs of the 1960s. A study of

businessmen's views in the 19th century found that they believed political leaders to be "stupid" and "empty" people who went into politics only to earn a living, and a study of businessmen's views during what are thought of as their most powerful decade, the 1920s, found the same mistrust of government.

The emotional expressions of business leaders about their lack of power cannot be taken seriously as a power indicator, for that confuses psychological uneasiness with power. Feelings are one thing, the effects of one's actions another. But it is nonetheless interesting to try to understand why businessmen complain about a government they dominate. First, complaining about government is a useful political strategy. It puts government officials on the defensive and forces them to keep proving that they are friendly to business. Second, businessmen complain about government because in fact very few civil servants are part of the upper class and corporate community. The anti-government ideology of the United States tends to restrain members of the upper class from government careers except in the State Department, meaning that the main contacts for members of the power elite within government are at the very top. There is thus uncertainty about how the middle levels will react to new situations, and therefore a feeling that there is a necessity to "ride herd" on or "reign in" the potentially troublesome "bureaucrats."

There also seems to be an ideological level to the business leaders' attitudes toward government. There is a fear of the populist, democratic ideology that underlies American government. Since power is in theory in the hands of all the people, there always is the possibility that someday "the people," in the sense of the majority, will make the government into the reflection of pluralist democracy that it is supposed to be. In a certain very real way, then, the great power of the upper class and corporate community are culturally illegitimate, and the existence of such power is therefore vigorously denied. It is okay to be rich, and even to brag about wealth a little bit, but not to be powerful or, worse, to flaunt that power.

Finally, the expressions of anguish from individual corporate leaders concerning their powerlessness also suggest an explanation in terms of the intersection of social psychology and sociology. It is the

upper class and corporate community that have power, not individuals apart from their institutional context. As individuals, they are not always listened to, and they have to convince their peers of the reasonableness of their arguments before anything happens. Moreover, any policy that is adopted is a group decision, and it is sometimes hard for people to identify with group actions to the point where they feel personally powerful. It is therefore not surprising that specific individuals might feel powerless.

Weaknesses of the Working Class

There are many democratic countries where the working class—defined as all those white-collar and blue-collar workers who earn a salary or a wage—has more power than it does in the United States. This power is achieved primarily through labor unions and political parties. It is reflected in more egalitarian wealth and income distributions, a more equitable tax structure, better public health services, subsidized housing, and higher old-age and unemployment benefits.

How is it possible that the American working class could be relatively powerless in a country that prides itself on its long-standing history of pluralism and elections? There are several interacting historical factors. First, the “primary producers” in the United States, those who work with their hands in factories and fields, were more seriously divided among themselves until the 1930s than in most other countries. The deepest and most important of these divisions was between whites and African-Americans. In the beginning, of course, the African-Americans had no social power because of their enslavement, which meant that there was no way to organize workers in the South. But even after African-Americans gained their freedom, prejudices in the white working class kept the two groups apart.

This black/white split in the working class was reinforced by later conflicts between craft workers—also called “skilled” workers—and industrial workers—also called mass-production or “unskilled” workers. Craft workers usually tried to keep their wages high by excluding industrial workers. Their sense of superiority as skilled

workers was reinforced by the fact that they were of Northern European, Protestant origins and the industrial workers tended to be Catholics and Jews from Eastern and Southern Europe. Some African-Americans were also found in the ranks of the industrial workers, along with other racial minorities.

It would have been difficult enough to overcome these divisions even if workers had been able to develop their own political party, but they were unable to develop such a party because the electoral system greatly disadvantages third parties. Workers were stuck. They had no place to go but the Republicans or Democrats. In the late 19th and early 20th centuries the craft workers often supported the Democrats, while the recent immigrant industrial workers tended to support the Republicans. Even when craft and industrial workers moved into the Democratic Party en masse in the 1930s, they couldn't control the party because of the power of the wealthy Southern planters and merchants.

Nor did the workers have much luck organizing themselves through unions. The employers were able to call upon the government to crush organizing drives and strikes through both court injunctions and police arrests. This was not only because employers had great influence with politicians then, just as they do now, but because the American tradition of law, based in *laissez faire* (free market) liberalism, was so fiercely opposed to any "restraint of trade" or "interference" with private property.

It was not until the 1930s that the liberal-labor coalition was able to pass legislation guaranteeing workers the right to join unions and engage in collective bargaining. Even this advance was only possible by excluding the Southern workforce—i.e., agricultural and seasonal labor—from the purview of the legislation. Further, the passage of the legislation had only limited impact because the industrial unions were defeated almost completely in the South and Southwest. Unions thrived in a few major industries in the North in the years after World War II, but then their power was eroded beginning in the 1970s as the big corporations moved their factories to other countries or lost market share to European and Japanese companies.

Given this history of internal division, political frustration, and union defeat, it is not surprising the American workers continue to accept the highly individualistic ideology that has characterized the United States since its founding. This acceptance in turn makes it even more difficult to organize workers around “bread-and-butter” issues. They often vote instead on the basis of social issues or religious convictions, with those who are deeply religious, opposed to affirmative action, or opposed to gun control voting for the avowedly anti-union Republican Party.

Thus, it is important not to confuse freedom with social power. Between 1962 and the 1990s there was a great expansion in individual rights due to the civil rights, feminist, and lesbian-gay movements, but during that time the ratio of a top business executive’s pay to a factory worker’s pay increased from 41 to 1 to about 300 to 1. American workers can say what they want and do what they want within very broad limits, and their children can study hard in school so they can go to graduate school and join the well-off professional class as doctors, lawyers, architects, or engineers, but when it comes to social power most Americans have very little of it if they are not a part of the power elite.

In sum, the argument over the structure and distribution of power in Africa under the neoliberal dispensation has been going on within academia since the 1980s. It has generated a large number of empirical studies, many of which have been drawn upon here. In the final analysis, however, scholars’ conclusions about the African power structure depend upon their beliefs concerning power indicators, which are a product of their “philosophy of science.” That sounds strange, I realize, but if “who benefits?” and “who sits?” are seen as valid power indicators, on the assumption that “power” is an underlying social trait that can be indexed by a variety of imperfect indicators, then the kind of evidence briefly outlined here will be seen as a very strong case for the dominant role of the power elite in African governments.

If “who wins?” on a wide range of government decisions is seen as the only valid indicator of power, and if it is expected that the power elite must win every time, which is the stance adopted by pluralist

theorists on the basis of a “strict positivist” view of how power must be measured, then the argument presented here, based on a “soft positivism,” will be seen as less impressive. That’s because those relatively few of us who disagree with the pluralists have not yet had the time and the resources to do enough case studies within the framework of the special-interest and policy-planning processes to show the full range of power elite dominance on policy issues. A good start has been made in this direction, but it will take more to convince the skeptics that the mirage called neoliberal democracy is working in Africa.

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Thought Control: Unveiling Corporate Media Manipulation

Overview

A democracy is the type of society in which ultimate power lies with the people. Leaders in Africa are supposed to be servants, accountable to the people and fulfilling the wishes of the people, making decisions for the greater good of all. Of course, for the people to exercise this power responsibly and wisely, they need to have an accurate picture and understanding of what is going on in the world, so that they are able to steer society in the best direction. The reason is that driving with poor eyesight is a recipe for a crash. The lifeblood of democracies, therefore, is the free and undistorted flow of information, and the transparency of society's workings, except of course where those workings directly endanger national security.

Introduction

The mass media are clearly powerful institutions in society; the media are, for most of the public, the ultimate sources of all their information. The structure of the mass media will therefore have fundamental implications for the political and cultural orientation of the public. Hence, an understanding of the mass media throws considerable light on the structure of Western society, the relationship between the public and those who possess power, as well as the ideologies produced by the media and their impact on the public. All scholars generally agree that the media do have the capacity to set the agenda of public discourse about political affairs, and it is widely recognized that the media has a significant role in actualizing the diffusion of Western ideology and culture throughout the world. However, they differ over the degree to which the media limits the public's understanding of current affairs and the overall consequences of this.

In retrospect, it was Walter Lippman who coined the phrase “the manufacture of consent”, enjoining it as a means of population control. Lippman’s concept may indeed be in effect today. In this regard, the status of the mass media and its faithful propagation of the established opinion that Western policy is fundamentally benevolent in intention is an issue of paramount importance. What role has the media played in clarifying the real principles and motives of Western policy to the publics in Africa and elsewhere, and what does this entail for the nature of Western democracy and the role of the population in the formulation of policy?

Rules Imposed by Western Mind Control

The colonial system severely constrained Africans’ livelihood options, but the new order of capitalism has gone much further. Beginning in 1980 the IMF and the World Bank imposed free-market shock therapy on African economies in line with neoliberal principles. They did this through “structural adjustment programmes” that cut spending on services like healthcare, privatized public assets and cut trade tariffs (a major source of revenue for poor countries) in order to pry open new markets and create “investment opportunities” for Western companies. They also raised interest rates to keep inflation low so that the value of debts to the West would not diminish, even though this hampered governments’ ability to spur growth.

Africans were told that structural adjustment would generate development. Quite the opposite. While sub-Saharan Africa enjoyed a steady per capita growth rate of 1.6% during the 1960s and 70s, beginning in the 1980s growth began to fall at a rate of 0.7% a year. The average GNP shrank by about 10% under structural adjustment, and the number of Africans living in basic poverty nearly doubled. Inequality has soared to unprecedented rates, enriching corrupt local elites (consider the rapid rise of South Africa’s black bourgeoisie) at the expense of a growing underclass.

These policies have been particularly rough on rural farmers. The abolition of price controls, subsidies and tariffs have all made it harder for farmers to make a living. In addition, free-trade rules have allowed

big agribusinesses, often foreign-owned, to capture vast swathes of the region's best farmland. As a result, farmers are forced to move to urban slums in search of better fortunes. But since there's no formal employment available in the cities anymore they can't afford to live there permanently, so they migrate back and forth. It's like colonialism 2.0. The World Bank and IMF—the biggest funders of neoliberal agendas—cannot be entrusted with these tasks of solving Africa's problems, as they have clear interests in the very policies (debt service, structural adjustment and patent laws) that have created the problem in the first place. These deadly programs have been concealed by Western media weapons of mass deception.

The Irony

The irony is that mediated methods developed to protect and expand communist ideology have proven to be no less effective in protecting and expanding “capitalist ideology” of the current neoliberal variant. This is currently the classic case of adoption of the principles of bitter enemy. Among them:

1. **Control the press.** Journalists are just soldiers of the Party. Remunerate royally those who “served with distinction”. Silence those who are not: for journalist silencing is as close to physical death as one can get.

2. **Ideology needs to be supported by powerful research institutions (aka “think tanks”) and adapted to modern realities by captured institutions and paid “intellectual agents” at key university departments.** The goal is total domination of the particular ideology in all mass media channels, books, universities, etc. There is power in numbers of think tanks, university endowments, etc. Another angle of this PR campaign is to make the line between research and PR as fuzzy as possible, especially in economics, where key players can be cheaply bought, and those who can't be bought treated as dissenting journalist -- and that means silenced.

3. **Promise anything to be elected, adopting, if necessary, the most attractive to electorate parts of the opponents platform.**

After election behave as you please and do completely opposite as train already left that station.

4. **Control all major channels of media and indirectly censor opposing view.** Avoid direct censure unless absolutely necessary, as it alienates people and fuel discontent. Just deprive them of the audience and kill with kindness: provide huge stimulus for those who voluntarily “follow the Party line”.

5. **Ensure that textbooks presents historical and other events only through the prism of Party mythology and make part of the mythology sacred so that those who try to attack can be accused in undermining the foundations of civil society.** Create and cultivate a newspeak that makes expression of opposing ideas more difficult and more suspect.

6. **Demonize the opponent and project your worst inclinations and deeds on them.** It had long been a practice of more conservative politicians to refer to liberal reforms such as child labor laws and environment protection measures as “Communist” or “Red plots.” Few people understand that for people of the USSR and Eastern Europe in media CIA played the same sinister role KGP used to play in the USA.

7. **Never admit that you are wrong.** Explain all failures by enemy actions, natural disasters or due to some other third party.

8. **Subvert the law system to protect the Party members and never criminally charge the top brass no matter what are actual transgressions.** Like Mussolini used to say -- for friends everything, for enemies the law.

Are the corporate media’s misrepresentations or distortions of Africa merely the result of innocent error and everyday production problems? The claim is that the inaccuracies found in the news about Africa are caused by deadline pressures, human misjudgment, limited print space, scarce air time, budgetary restraints, and the difficulty of reducing a complex story into a concise report. True, the media have to be selective- but what principle of selectivity is involved? Media bias does not occur in random fashion; rather it moves in the same overall direction again and again, favoring management over labor,

corporations over corporate critics, affluent whites over inner-city poor, officialdom over protesters, the two-party monopoly over leftist third parties, privatization and free market “reforms” over public sector development, U.S. dominance of the Third World over Chavez-style revolutionary or populist social change, national-security policy over critics of that policy, and conservative commentators and columnists like U.S. Right-Wing Rush Limbaugh and George Will over progressive or populist ones like Jim Hightower and Ralph Nader.

Indeed, the structure of the corporate mass media has fundamental implications for the political and cultural orientation of the public. Hence, an understanding of this mass media will throw considerable light on the structure of Western society that is in control of the corporate media instruments of manipulation, the relationship between the public and those who possess power, as well as the ideologies produced by the media and their impact on the public, be it in the West or in Africa in particular and beyond. The built-in biases of the corporate mainstream media faithfully reflect the dominant neoliberal ideology, seldom straying into territory that might cause discomfort to those who hold political and economic power, including those who own the media or advertise in it. What follows is a sketch of the methods by which those biases are packaged and presented by Western media and their surrogates in Africa.

Unfortunately, the vast extent of the manipulation of the corporate media under the sway of business interests has been harshly revealed in the statement of John Swainton, Chief of Staff of the *New York Times*. Lamenting about the desperate situation of journalists he stated: “There is not one of you who would dare to write his honest opinion.” He reprimanded his colleagues at his retirement party in September 2001.

“The business of a journalist now is to destroy the truth, to lie outright, to pervert, to vilify, fall at the feet of Mammon and sell himself for his daily bread. We are tools, vessels of rich men behind the scenes, we are jumping jacks. They pull the strings; we dance. Our talents, our possibilities and our lives are the properties of these men. We are intellectual prostitutes.”(See *INDEX on Censorship*, Vol. 30, No. 1, January 2001, p. 10).

Freedom of expression has always been one of the hallmarks of democracy. How does one imagine that countries that claim mantles of democracy, countries that “export democracy” become so intolerant of freedom of expression? Neo-liberalism’s one-size-fits-all dogmas are well known: deregulation, reducing the role of the State, privatization, limiting inflation rather than unemployment, etc. In other words, this is depoliticizing the economy and putting it into the hands of the financial class. And these dogmas are gradually settling into African consciousness because they’re being broadcast across a vast and pervasive network of propaganda. In fact, beginning with the founding in 1947 of the Mont Pèlerin Society, neo-liberal think tanks financed by multinational companies and big money have propagated neoliberal ideas in universities in the media and in governments.

This ideology, convinced of its historical and scientific validity—as proven, in particular, by the fall of the Soviet Union—has intoxicated all governments, left and right alike. In fact, since the end of the Cold War, the rate of neo-liberal reforms has increased dramatically. Often imposed with force, either through the structural adjustment plans of the International Monetary Fund (IMF) and the World Bank, under the pressure of financial markets and multinationals, or even by outright war, the neo-liberal doctrine has now reached every corner of the planet. But behind the ideological smokescreen, behind the neat concepts of natural order and the harmony of interests in a free market, beyond the panacea of the “invisible hand,” what is really going on?

Corporate Media Ownership

Africa is inundated and overwhelmed with a flood of information from a wide array of sources, but these sources of information, by and large, serve the powerful corporate interests and individuals that own them. The main sources of information, for both public and official consumption, include the mainstream corporate media, alternative media, academia and think tanks. The mainstream media is the most obvious in its inherent bias and manipulation. The mainstream media is owned directly by large multinational corporations, and through their

boards of directors are connected with a plethora of other major global corporations and elite interests. An example of these connections can be seen through the board of *Time Warner*. *Time Warner* owns *Time Magazine*, HBO, Warner Bros., and CNN, among many others. The board of directors includes individuals past or presently affiliated with: the Council on Foreign Relations, the IMF, the Rockefeller Brothers Fund, Warburg Pincus, Phillip Morris, and AMR Corporation, among many others.

Two of the most “esteemed” sources of news in the U.S. are the *New York Times* (referred to as “the paper of record”) and the Washington Post. *The New York Times* has on its board people who are past or presently affiliated with: Schering-Plough International (pharmaceuticals), the John D. and Catherine T. MacArthur Foundation, Chevron Corporation, Wesco Financial Corporation, Kohlberg & Company, The Charles Schwab Corporation, eBay Inc., Xerox, IBM, Ford Motor Company, Eli Lilly & Company, among others. Hardly a bastion of impartiality.

And the same could be said for *The Washington Post*, which has on its board: Lee Bollinger, the President of Columbia University and Chairman of the Federal Reserve Bank of New York; Warren Buffett, billionaire financial investor, Chairman and CEO of Berkshire Hathaway; and individuals associated with (past or presently): the Coca-Cola Company, New York University, Conservation International, the Council on Foreign Relations, Xerox, Catalyst, Johnson & Johnson, Target Corporation, RAND Corporation, General Motors, and the Business Council, among others.

It is also important to address how the mainstream media is intertwined, often covertly and secretly, with the government. Carl Bernstein, one of the two *Washington Post* reporters who covered the Watergate scandal, revealed that there were over 400 American journalists who had “secretly carried out assignments for the Central Intelligence Agency.” Interestingly, “the use of journalists has been among the most productive means of intelligence-gathering employed by the CIA.” Among organizations which cooperated with the CIA were the “*American Broadcasting Company, the National Broadcasting Company, the Associated Press, United Press International, Reuters, Hearst*

Newspapers, Scripps-Howard, Newsweek magazine, the Mutual Broadcasting System, the Miami Herald and the old Saturday Evening Post and New York Herald-Tribune.”

It is needful to emphasize that as media conglomerates become larger, they get integrated into the higher levels of banking and industrial life as subsidiaries and interlocks within their boards of directors. Half the dominant firms are members of the Fortune 500 largest corporations. They are heavy investors in, among other things, agribusiness, airlines, coal and oil, banking, insurance, defense contracts, automobile sales, rocket engineering, nuclear power, and nuclear weapons. Many have heavy foreign investments affected by Euro-American foreign policies. It is normal for all large businesses to make serious efforts to influence the news, to avoid embarrassing publicity, and to maximize sympathetic public opinion and government policies since they own most of the news media that they wish to influence.

The danger is not that this monopoly control of media by corporate interests would necessarily be evil, though this kind of extravagant power has a grim history. Whether evil or benevolent, centralized control over information, whether governmental or private, is incompatible with freedom. Modern democracies need a choice of politics and ideas, and that choice requires access to truly diverse and competing sources of news, literature, entertainment, and popular culture. As in any well-developed market, this means that there are very effective natural barriers to entry into the media industry.

Due to this process of concentration, the ownership of the major media has become increasingly concentrated in fewer and fewer hands. As Ben Bagdikian stresses in his 1987 book **Media Monopoly**, the 29 largest media systems account for over half of the output of all newspapers, and most of the sales and audiences in magazines, broadcasting, books, and movies. The “*top tier*” of these — somewhere between 10 and 24 systems — along with the government and wire services, “*defines the news agenda and supplies much of the national and international news to the lower tiers of the media, and thus for the general public.*” (p. 5). Since then, media concentration has increased, both nationally and on a global level. Bagdikian’s 2004 book, **The New Media**

Monopoly, showed that since 1983 the number of corporations controlling most newspapers, magazines, book publishers, movie studios, and electronic media have shrunk from 50 to five global-dimension firms, operating with many of the characteristics of a cartel—Time-Warner, Disney, News Corporation, Viacom and Germany-based Bertelsmann.

These “*top-tier companies are large, profit-seeking corporations, owned and controlled by very wealthy people ... Many of these companies are fully integrated into the financial market*” which means that “*the pressures of stockholders, directors and bankers to focus on the bottom line are powerful.*” [p. 5] These pressures have intensified in recent years as media stocks have become market favorites and as deregulation has increased profitability and so the threat of take-overs. These ensure that these “*control groups obviously have a special take on the status quo by virtue of their wealth and their strategic position in one of the great institutions of society. And they exercise the power of this strategic position, if only by establishing the general aims of the company and choosing its top management.*” (p. 8).

The media giants have also diversified into other fields. For example GE, and Westinghouse, both owners of major television networks, are huge, diversified multinational companies heavily involved in the controversial areas of weapons production and nuclear power. GE and Westinghouse depend on the government to subsidize their nuclear power and military research and development, and to create a favorable climate for their overseas sales and investments. Similar dependence on the government affects other media.

Because they are large corporations with international investment interests, the major media tend to have a right-wing political bias. In addition, members of the business class own most of the mass media, the bulk of which depends for their existence on advertising revenue (which in turn comes from private business). Business also provides a substantial share of “experts” for news programs and generates massive “flak.” Claims that the media are “left-leaning” are sheer disinformation manufactured by the “flak” organizations described below (in section D.3.4). Thus Herman and Chomsky:

“the dominant media forms are quite large businesses; they are controlled by very wealthy people or by managers who are subject to

sharp constraints by owners and other market-profit-oriented forces; and they are closely interlocked, and have important common interests, with other major corporations, banks, and government. This is the first powerful filter that effects news choices. “(p. 14).

Bagdikian invokes George Orwell’s 1984 and his idea of one owner of all media and the harm done -- and explains that a handful of corporations tied to the business and banking own most of America’s mainstream media. He presents four reasons why corporations have been able to increase media ownership -- without needing to conspire:

1) large corporations have shared values that are reflected in their news and popular culture.

2) They are the primary shapers of public opinion about events and their meaning.

3) They are a major influence on government.

4) When their corporate interests are at stake -- in taxes, regulation and antitrust -- they use the power in selection of news and in private lobbying power to influence politicians and the political process.

Needless to say, reporters and editors will be selected based upon how well their work reflects the interests and needs of their employers. Thus a radical reporter and a more mainstream one both of the same skills and abilities would have very different careers within the industry. Unless the radical reporter toned down their copy, they are unlikely to see it printed unedited or unchanged. Thus the structure within the media firm will tend to penalize radical viewpoints, encouraging an acceptance of the status quo in order to further a career. This selection process ensures that owners do not need to order editors or reporters what to do—to be successful they will have to internalize the values of their employers. Political discrimination is therefore structured into the media by wealthy companies with an emphasis on people with money to buy. In other words, many corporations tend to always refuse to do business with ideological media enemies and those whom they perceive as damaging their interests.

Manipulation by Omission and suppression

The corporate media has failed to generate genuine public awareness of the actual nature of Western policy. Majid Tehranian (1998), for example, who is Professor of International Communication at the University of Hawaii and Director of the Toda Institute for Global Peace and Policy Research, points out that:

“In their scholarship, William Appleton Williams, Noam Chomsky, Richard Falk, Ramsey Clark, Ali Mazrui, and other critics of US foreign policies have provided an abundance of evidence to support the charges on the counter-democratic role of the United States in much of Asia, Africa, and Latin America.”

That the concentrated media have failed to accurately portray the real nature of Western foreign policy to the public, playing instead the subservient role of a propaganda machine for corporate elite interests, is therefore quite obvious. The question that then remains is why the media do—conventionally believed to be critical of the Western establishment—behave in a way that conforms to the false picture presented by the government and the corporate elite of their own policies? The answer is simple: in sum, the corporate mass media *is* the establishment.

As attested to by development specialist Dr. J. W. Smith (2000), who is Director of Research for the California-based Institute for Economic Democracy,

“...All intelligence agencies have been, and are still in, the business of destabilizing undeveloped countries to maintain their dependency and the flow of the world’s natural wealth to powerful nations’ industries at a low price and to provide markets for those industries at a high price.”

The US corporate-military-industrial complex - which is the driving force behind the contemporary world order - is also the force that bears prime responsibility for manufacturing public consent as well as new false threats in the post-Cold War period to justify an ongoing anti-humanitarian foreign policy, whose objective is nothing other than global economic domination. The corporate-controlled media is the principal tool through which the general public can be spoon-fed this

ideology. Under the imperatives of US hegemonic expansionism, legitimized and veiled by the mass media, the world is now seeing escalating turmoil, violence and instability as the US extends its tentacles of consolidation to new regions, and faces increasing threats from popular demands for social change within the Global North as well as the Global South.

Manipulation or manufacturing of public consent often lurks in the things left unmentioned. The most common form of corporate media misrepresentation is omission. Sometimes the omission includes not just vital details of a story but the entire story itself, even ones of major import. As just noted, stories that might reflect poorly upon the powers that be are the least likely to see the light of day. For example, the Tylenol poisoning of several people by a deranged individual was treated as big news but the far more sensational story of the industrial brown-lung poisoning of thousands of factory workers by large manufacturing interests (who themselves own or advertise in the major media) does remain suppressed for decades, despite the best efforts of worker safety groups to bring the issue before the public.

Revisiting the Somali Predicament

The area designated as modern day Somalia is a region believed to have produced the first Homo sapiens, who were responsible for crafting vast anthropological treasures and archeological artifacts, evidence of a highly sophisticated ancient civilization. The region once thrived as a bustling hub of commerce and lucrative international trade. Somali merchants of the time were chieftains of commercial exchange between Asia, Persia and Africa during the time of the Ming Dynasty and were even responsible for influencing Chinese linguistics during the period. Today, the people of Somalia are regarded as little more than ants at a picnic for the Intelligence Agencies and Corporate Interests that seek to occupy this strategically located area. The weapon of choice against them is manmade famine.

Somalis belong to a single homogenous ethnic group comprised predominately of nomadic tribesmen who place great importance on poetry and other oral traditions, they are historically characterized by

fiercely striving for independence against foreign forces during the Scramble for Africa, most notably from the imposing agents of the British Empire in league with Christian Ethiopians and Italian Fascists in the late 19th century in their pursuit to control Somalia's trading ports and strategic coastline. The religious cleric turned patriotic leader of the day, Sayid Mohamed Abdulle Hassan, led several successful military ventures using guerilla armies of ethnically Somali fighters from across the Horn of Africa, which overpowered British imperial forces on several occasions.

While its surrounding peers had been colonized or utilized as proxy forces, as such in Ethiopia, Hassan fathered the Dervish State in modern day Somalia built on the pillars of homogenous, linguistic and religious unity and national self-sufficiency, which had remained the only independent Muslim State on the entire African continent. Like today, any governance that resists the command of Imperialists (now called 'Globalists') are dispensed militarily; the British launched the first modern airstrike in Africa against Dervish military bases in Somalia, effectively crushing the resistance of the rightful indigenous inhabitants for their own private objectives of which have continued to the present day in more sophisticated ways.

With total disregard for anthropological requirements and ethnic distinctions of the people within the areas of foreign territory they carved up, the British invaders ceded regions populated by ethnic Somalis such as Haud and Ogaden over to their ally, the Ethiopian Emperor Menelik in 1948; later, crippling regional conflict would ensue in regaining these stolen territories. The geographical borders of the first Somali Republic, which achieved independence in 1960, were literally drawn by British and Italian forces. Mohamed Siad Barre declared Somalia a Socialist state after a military coup in '69 and attempted to build a nation in Hassan's vision of state unity and self-sufficiency through cooperative farming and nationalization programs of industry and mass production.

While life in the times of Socialist Somalia was far from glamorous, it was absolutely blissful compared to the current state of affairs within the Horn of Africa. At the time Somalia was agriculturally stable and actively implementing sweeping public works programs and working to

dramatically increase the nation's literacy rate through urban and rural programs, while introducing the first Latin-based orthography of the Somali dialect as the national language of education. The Islamic government exercised very progressive views towards improving the influence of women in society by offering unisex education and creating laws forbidding female circumcision, women were actively recruited in the military and female employment in factory production was encouraged.

Barre supported the model of Greater Somalia, which sought to regain ethnic Somali territories handed out by the preceding colonial administrations that would encompass Somalia, Djibouti, Ogaden (Ethiopia) and the North Eastern Province (Kenya); these aspirations led to the Ogaden War with Ethiopia, the superpowers of the time aided and funded this conflict in exchange for constructing military bases, thus effectively reducing the Horn of Africa to pliant client states and of the Cold War.

The Soviet Union was closely allied with Barre's government and supplied vast military and economic aid, allowing Somalia to build up the largest armory on the continent before switching strategies and backing Ethiopia, which was synonymous for being an American proxy state prior to a military takeover which led to the rise of Ethiopian Marxist leader, Mengistu Haile Mariam. Somalia turned to the United States for aid and the resulting conflicts killed thousands of Africans and severely weakened Ethiopia and Somalia, as their lands were used as the inconsequential frontlines of foreign forces.

Following the Somalia's military withdrawal in the Ogaden War, the economy was crippled due to disproportionate military spending and looming foreign debt. In the face of increasing public discontent with Barre's government and the loss of aid from the Soviet Union, Somalia called to the West; unfortunately for the Somali people, The International Monetary Fund answered. As part of the IMF's loan protocol, the borrower country must accept the conditions stipulated within structural adjustment policies, thus requiring the suspension of public work programs, investments in education and nearly any outlet which gives priority towards improving people's conditions and standards of living.

Structural adjustment programs are designed to pry countries open to predatory capital, often purging the authority of national companies over the management of the resources in their own lands; these schemes of the IMF and other financial institutions are designed to secure the indebtedness the borrower country to total dependency on further loans and foreign aid; directly attacking national sovereignty and practices of self-sufficiency, which the Somalis gave their lives to protect.

Following the IMF-imposed austerity measures, Somalia began to grovel and churn by facing food shortages, record inflation and currency devaluation, to a point where a simple meal at a restaurant required paying with bundles of currency notes. Barre's increasingly irrelevant leadership settled further loan agreements with the Paris Club and International Development Association, which required the Government to sell off vital public systems, such as the countries' electricity generators, which cast Mogadishu into a nightly darkness.

As the situation in Somalia became increasingly unstable, Ethiopians armed and funded various militia clans such as the Somali Salvation Democratic Front and the Somali National Movement, which ousted President Barre after twenty-two years of military rule. Warring foreign funded clans sought to legitimize themselves as Barre's successor, leading to a Civil War in '91, which plunged the nation into anarchy. James Bishop, the former United States ambassador to Somalia stated, "There is competition for water, pasturage, and cattle. It is a competition that used to be fought out with arrows and sabers, now it is fought out with AK-47's". Since that time, the nation of Somalia has been largely without a stable Government, after decades of intervention from foreign forces, the Somali people have been brought to their knees. In the present day, Somalia is trumpeted as an emerging front in the ever expanding and oxymoronic War on Terror. Much of the country is under the control of Al Qaeda linked militia group, 'Harakat al-Shabaab al-Mujahideen', simply known as Al-Shabaab. Under further examination of the International Communities' engagements in Somalia, the goal of cleansing the land of its indigenous inhabitants becomes glaringly obvious in its brazen criminality.

Famine for Profit

Presently, Somalia is weathering consecutively severe droughts, which prevail in the regions of southern Bakool and Lower Shabelle, partially controlled by jihadist militia group, Al-Shabaab. Traditionally, due to its harsh geographical climate, Somalia has always been a pastoral and rural economy of barter between nomadic herdsman and resident agriculturalists. Despite persistent droughts, Somalia maintained agricultural self-sufficiency throughout the 1970's and implemented programs, which led to sizeable commercial pastoral development. The IMF-World Bank intervened in the 80's and set the stage for an agricultural crisis through economic reforms, which diluted the delicate exchange relationship between pastoralists and small farmers, in their relative nomadic and sedentary economies.

In order to service debt owed to the Paris Club and other Washington-based financial institutions, harsh austerity measures were imposed on the former Somali Government, which reinforced national dependency on imported grain, further contributing to bankruptcy and the need for additional loan supplements. Food aid increased by fifteen times between the mid-seventies to mid-eighties and continued to rise by thirty-one percent per annum.

Sedentary agricultural producers were ruined by the IMF stipulated increase of commercial imports, traditionally consumed locally grown crops such as maize and sorghum were replaced with cheap foreign wheat and subsidized US grain in an effort to increase Somalia's dependency – not its sovereignty. Prices of fuel, fertilizer and farm inputs rose exorbitantly following periodic IMF imposed devaluations of the Somali Shilling, which crushed the nation's purchasing power and severely impacted domestic agricultural producers and irrigated farming. The real causes of impoverishment in Somali farming communities were caused by deregulation of the grain market, currency warfare and the influx of foreign food aid, such donations were made with the expectation that Somalia's best-irrigated farmlands would be used to harvest fruits, vegetables, oilseeds and cotton, not for domestic consumption, but for export into lucrative grocery market shelves in the First World. Donors were able to take control of the

entire budgetary process by providing food aid because its domestic sale became the principal source of revenue for the state.

Embarrassingly, Henry Kissinger, Nobel Peace Prize recipient and former US Secretary of State recommended that “Depopulation should be the highest priority of foreign policy towards the Third World, because the US economy will require large and increasing amounts of minerals from abroad, especially from less developed countries.” In a country where fifty percent of the population is comprised of nomadic pastoralists, the role of camels and other livestock is integral to survival and wealth procurement; prior to the IMF’s involvement in Somalia, livestock contributed to eighty percent of export earnings. Ultimately, creating dependency is profitable and securing such relationships is the ultimate goal of a lending institution, loans are distributed attached to structural adjustment policies for that reason. The World Bank encouraged the privatization of livestock veterinary services, a private market for veterinary drugs, and administered the commercialization of water during times of drought, while effectively dissolving the functions performed by the government’s own Ministry of Livestock; thus forcing a traditional exchange economy onto a privatized for-profit system, not catered towards the needs of nomadic herders in remote pastoral areas, which yielded devastating results by wiping out herds and any semblance of the pastoralist economy.

Bretton Woods’ institutions oversaw the restructuring of government budgeting and expenditure, which prevented the government from independently utilizing the available domestic resources, leading to an eighty five percent decline in agricultural expenditures from levels in the mid-seventies. The economic restructuring programs implemented by the IMF-World Bank have devastated the practices of nomadic pastoralists and driven them to impoverished austerity. The traditional exchange economy was undone; grain producers who bartered their grain for livestock were ruined as grazing herds faded from starvation, which contributed to dwindling foreign exchange earnings from international beef exports. It is no surprise that the governments once reasonably sound economic and social programs began to deteriorate.

According to research published by Michael Chossudovsky, government expenditure on health in '89 had declined by seventy eight percent in comparison with their relative mid-seventies levels and the levels of recurrent annual expenditure on education was only four USD per student, when previously the budget in '82 allowed for eighty two USD to be allocated per student, amidst a forty one percent decrease in school enrollment, resulting in the relative collapse of the education system. The average public sector wage was reduced to three USD per month and Somalia's debt-servicing obligations represented a bleak 194.6 percent of export earnings, the situation became hopeless. The World Bank had permitted a structural adjustment loan for seventy million USD in '89, but was later frozen due to hemorrhaging economic performance; even if the country were to take new loans in an attempt to repay their debts, Somalia has been taken hostage by predatory capital, debt servicing and structural adjustment. Traditional economies in hundreds of different countries are under attack from the IMF; famines in the present day are not an outcome of a food shortage but the result of economic restructuring, unaffordability and global supply.

"A total population of 250-300 million people, a 95% decline from present levels, would be ideal", said Ted Turner, CNN founder and donor to the United Nations. The work of the IMF, World Bank and other Bretton Woods financial institutions is to secure the handcuffed dependency of the borrower country to world markets and the destruction of food security; environmental conditions and drought foster additional vulnerability towards food insecurity, as seen presently unfolding in the Horn. Somalia was cast further into economic dysfunction due to the subsidization of duty-free beef and dairy products, imported from the European Union; pastoral farmers are prevented from traditionally procuring wealth from their herds because low quality meat products imported from the EU sell for half the price of domestically produced product. Food aid to sub-Saharan Africa has increased more than seven times since 1974 and commercial grain imports have flooded local markets and more than doubled in availability in countries known to be agriculturally self-sufficient, such as Zimbabwe, where the population was subjected consuming tree

bark during a food crisis in 1992, while their fertile lands were used for cultivating tobacco exports to service foreign debt. Financial institutions apply debilitating restructuring to the economies of borrower countries to effectively turn them into breadbaskets for cash crops and other money harvests, using the highest quality farmlands available to cultivate tobacco crops for export, while simultaneously flooding the local market with subsidized foreign grain and meat products; creating a deliberate express route to creating poverty and unraveling local economies. In addition to implementing crippling initiatives of austerity in the rural development, public works and agricultural infrastructure projects of African countries, their shameless pursuit of turning a profit has led the World Bank to trumpet the commoditization of water, which does nothing but actively contribute to food insecurity and famine in arid climates.

IMF-World Bank imposed structural adjustment is the ultimate attack on sovereignty and any local system of exchange that bypasses the global market. The ensuing economic dysfunctions are not a terrible coincidence or a result of mismanagement; they are designed to create dependency through Malthusian policies, market sabotage and contrived famines, resulting in intentionally culling the population of the developing world, out of fear that their indigenous resources and sovereign economies may potentially yield a bountiful amount of wealth and independent development. According to research conducted by the UN Food and Agriculture Organization, the global price of food has skyrocketed more than two hundred and forty percent since 2004; the unwarranted upward mobility of such necessities must not be naively dismissed as market fluctuations, the price of food is directly manipulated by key constituents of the Anglo-Dutch-Swiss food cartel, comprised of a dozen pivotal companies, assisted by another three dozen, which literally hold a monopoly over the world's food supply under the nauseating influence of the inbreeding feudalists within the Royal British House of Windsor.

Never before in history have such powerful oligarchs been so blatant in expressing their advocacy for depopulation. Their control of the food supply is enough to lose sleep over. In sum, the evidence laid out here to support the complex array of sabotage being tragically

committed against The Somali plight as residents at the Horn of Africa and the world is enough to leave one overwhelmed and with a very bleak world view. As if things couldn't get worse for the Somali people, the Washington Post, New York Times and other major American newspapers have recently reported that the US has extended it's illegal and oxymoronic War on Terror by beginning to launch drone missile attacks over Somalia, while the Pentagon has roughly three thousand troops from all four major branches of the military assigned to the Combined Joint Task Force-Horn of Africa stationed in Camp Lemonnier in Djibouti, Somalia's neighboring country to the north. Under the guise of fighting Islamic extremists and degenerate pirates, the US military is implementing an East African military geo-strategy to control the maritime waterways and the movement of international shipping through the Gulf of Aden, as well as the prospects of descending looming multinational corporations to harvest the potential yields of the East African energy basin.

Somalia's lands are now very well subjected to predatory capital and resource-robbers, due to its untapped and unexplored potential, and the possibility of American oil giants such as Conoco, Amoco, Chevron and Phillips, that have been sitting quietly since nearly two-thirds of Somalia land was allocated to them in the final years before President Mohamed Siad Barre was overthrown and thrown into disarray, to reap prospective fortune in exclusive concessions to explore millions of acres of the Somali countryside for potential petroleum deposits, once the Somalian people have been democratized and liberated by the United States, of course.

Yet, few parts of the world aptly fit the description of hell better than Somalia's crumbling capital city, Mogadishu; a nation ravaged by imperialism, domestic instability and economic sabotage from foreign forces. Parades of malnourished Africans queuing up to receive rations are trumpeted in thirty second news pieces on most mainstream media outlets, of which offer embarrassingly insubstantial examples of journalism with little explanation for such images of unparalleled inequality, past the effects of droughts, while never missing the opportunity to highlight the threat of al-Qaeda. While it cannot be denied that the current droughts in East Africa, which have been

reported to be the most dire in sixty years, have been negatively exacerbating the climate of food availability in Somalia, Kenya and Ethiopia; the mammoth aid conglomerates which ‘shake their coin cup’ for incoming donations from the predominately cash-strapped civilian populations of the ‘developed’ world and the reporting mainstream media outlets consistently fail to maturely scrutinize the basis for such economic dysfunction in East Africa, responsible for the starvation of thousands of people. In Somalia’s case (a nation once self-sufficient in its food production), the ‘economic medicine’ of the International Monetary Fund and the behest of colossal oil robber-barrens have contributed far more devastation than droughts towards producing the images of deprived and inebriated bodies on newspapers and television screens in the West.

What I am stressing here is that a propaganda model for the corporate media blasting the images of deprived and inebriated Somali bodies does not entail a grandiose conspiracy theory. Rather, it is based on analyzing the politico-economic influences on the mass media, and considering the extent to which those influences both have the potential to condition the media’s reporting tendencies in accord with the interests of those who possess power. In other words, the model constitutes a ‘guided free market’ model, advocating that the media’s reporting is influenced by the same factors that dominate exploitative corporate activities - the maximization of profit and therefore the market. In this sense, according to the propaganda model the media is conditioned by the profit-orientated considerations of corporate elites. As Professor McChesney (1989) observes:

“Herman and Chomsky quickly dismiss the standard mainstream critique of radical media analysis that accuses it of offering some sort of ‘conspiracy’ theory for media behavior; rather, they argue, media bias arises from ‘the preselection of right-thinking people, internalized preconceptions, and the adaptation of personnel to the constraints’ of a series of objective filters they present in their propaganda model. Hence the bias occurs largely through self-censorship, which explains the superiority of the US mass media as a propaganda system: it is far more credible than a system which relies on official state censorship.”

IMF and World Bank Complicity

The IMF and World Bank were both created at the end of World War II in a political climate is very different from that of today. Nevertheless, their roles and modalities have been suitably updated to serve the interests of those that benefit from neoliberalism. The institutional structures of the IMF and World Bank were framed at an international conference in Bretton Woods, New Hampshire. Initially, the primary focus of the IMF was to regulate currency exchange rates to facilitate orderly international trade and to be a lender of last resort when a member country experiences balance of payments difficulties and is unable to borrow money from other sources. The original purpose of the World Bank was to lend money to Western European governments to help them rebuild their countries after the war. In later years, the World Bank shifted its attention towards development loans to third world countries.

Immediately after world war II, most western countries, including the US, had 'New Deal' style social contracts with sufficient welfare provisions to ensure 'stability' between labor and capital. It was understood that restrictions on international capital flow were necessary to protect these social contracts. The postwar 'Bretton Woods' economic system which lasted until the early seventies, was based on the right and obligation of governments to regulate capital flow and was characterized by rapid economic growth. In the early seventies, the Nixon administration unilaterally abandoned the Bretton Woods system by dropping the gold standard and lifting restrictions on capital flows. The ensuing period has been marked by dramatically increased financial speculation and low growth rates.

Although seemingly neutral institutions, in practice, the IMF and World Bank end up serving powerful interests of western countries. At both institutions, the voting power of a given country is not measured by, for example, population, but by how much capital that country contributes to the institutions and by other political factors reflecting the power the country wields in the world. The G7 plays a dominant role in determining policy, with the US, France, Germany, Japan and

Great Britain each having their own director on the institution's executive board while 19 other directors are elected by the rest of the approximately 150 member countries. The president of the World Bank is traditionally an American citizen and is chosen with US congressional involvement. The managing director of the IMF is traditionally a European. On the IMF board of governors, comprised of treasury secretaries, the G7 have a combined voting power of 46%.

The power of the IMF becomes clear when a country gets into financial trouble and needs funds to make payments on private loans. Before the IMF grants a loan, it imposes conditions on that country, requiring it to make structural changes in its economy. These conditions are called 'Structural Adjustment Programs' (SAPs) and are designed to increase money flow into the country by promoting exports so that the country can pay off its debts. Not surprisingly, in view of the dominance of the G7 in IMF policy making, the SAPs are highly neoliberal. The effective power of the IMF is often larger than that associated with the size of its loans because private lenders often deem a country credit-worthy based on actions of the IMF.

The World Bank plays a qualitatively different role than the IMF, but works tightly within the stringent SAP framework imposed by the IMF. It focuses on development loans for specific projects, such as the building of dams, roads, harbors etc. that are considered necessary for 'economic growth' in a developing country. Since it is a multilateral institution, the World Bank is less likely than unilateral lending institutions such as the Export Import Bank of the US to offer loans for the purpose of promoting and subsidizing particular corporations. Nevertheless, the conceptions of growth and economic wellbeing within the World Bank are very much molded by western corporate values and rarely take account of local cultural concerns. This is clearly exhibited by the modalities of its projects, such as the 'Green Revolution' in agriculture, heavily promoted in the third world by the World Bank in the sixties and seventies. The 'Green Revolution' refers to the massive industrialization of agriculture, involving the replacement of a multitude of indigenous crops with a few high-yielding varieties that require expensive investments of chemicals, fertilizers and machinery. In the third world, the 'Green Revolution'

was often imposed on indigenous populations with reasonably sustainable and self-sufficient traditions of rural agriculture. The mechanization of food production in third world countries, which have a large surplus labor pool, has led to the marginalization of many people, disconnecting them from the economy and exacerbating wealth disparity in these countries. Furthermore, excessive chemical agriculture has led to soil desertification and erosion, increasing the occurrence of famines. While the 'Green Revolution' was a catastrophe for the poor in third world countries, western chemical corporations such as Monsanto, Dow and Dupont fared very well, cashing in high profits and increasing their control over food production in third world countries.

Today, the World Bank is at it again. This time it is promoting the use of genetically modified seeds in the third world and works with governments to solidify patent laws which would grant biotech corporations like Monsanto unprecedented control over food production. The pattern is clear, whether deliberate or not, the World Bank serves to set the stage for large trans-national corporations to enter third world countries, extract large profits and then leave with carnage in their wake.

While the World Bank publicly emphasizes that it aims to alleviate poverty in the world, imperialistic attitudes occasionally emerge from its leading figures. In 1991, then chief economist Lawrence Summers (now US Secretary of the Treasury) wrote in an internal memo that was leaked:

Just between you and me, shouldn't the World Bank be encouraging more migration of the dirty industries to the LDCs [less developed countries]? ... The economic logic behind dumping a load of toxic waste in the lowest wage country is impeccable, and we should face up to that ... Under-populated countries in Africa are vastly under-polluted; their air quality is probably vastly inefficiently low compared to Los Angeles or Mexico City The concern over an agent that causes a one-in-a-million chance in the odds of prostate cancer is obviously going to be much higher in a country where people survive to get prostate cancer than in a country where under-five mortality is 200 per thousand.

And this confirms the thought that the World Bank tried to extend lives in developing countries, not take advantage of low life expectancy.

Lies, bald and repetitive

When omission proves to be an insufficient form of news suppression, the corporate media resort to outright lies on Africa. For example, much of the materials reported in the Somalian seas, which are contributing to new cases of radiation sickness, strange rashes, nausea, malformed babies and death, can be traced back to European hospitals and factories, that have apparently been passed to the Italian mafia to conduct it's cheap disposal. During a *tsunami* in 2005, hundreds of the dumped and leaking barrels washed up on shore, Ould-Abdallah has claimed European governments were offering, *"Nothing. There has been no cleanup, no compensation and no prevention."*

Reports within certain circles of Somalian pirates who take over large cargo ships in exchange for millions in ransom money are commonplace, but the media rarely mentions that some pirates have pledged the money going towards cleaning up the radioactive material on their shores. Januna Ali Jama, a spokesperson representing groups of Somalian pirates has claimed that ransom demand is a means of *"reacting to the toxic waste that has been continually dumped on the shores of our country for nearly 20 years. The Somali coastline has been destroyed, and we believe this money is nothing compared to the devastation that we have seen on the seas."* Additionally, other European ships have been illegally fishing in Somalia's seas and harvesting seafood, their greatest resource. Vast trawlers illegally sailing into Somalia's unprotected seas are stealing more than three hundred million USD worth of tuna, shrimp, lobster and other sea life every year. Consider the fact that not only are millions of dollars worth of seafood illegally harvested annually, but also it is harvested off the coast of regions synonymous for recent food instability in waters where nuclear waste is being dumped; those fish are then sold at exorbitant prices in grocery stores all over Europe and elsewhere; the total negligence for human health and wellbeing is astonishing.

Although holding hostages may not be justifiable or the best way to go about addressing solutions to the issues and surely several less-enlightened people take part in piracy to fuel their own personal gain, these are characteristics of people who have lost their livelihoods and have nothing else to lose; the mainstream media totally neglect this perspective on the issue and only focus on championing the dispatchment of UN paramilitary forces into Somalian waters, which is an excuse for furthering additional geopolitical objectives of the US. The local fishermen have suddenly lost their livelihoods and the nation is starving. A group, who originally referred to themselves as the Volunteer Coast Guard of Somalia, was comprised of ordinary Somalian fishermen who were first to take out speedboats to try to dissuade foreign dumpers and trawlers and establish a fishing tax.

Herman and Chomsky have offered their propaganda model of media reporting which best fits the Somali situation using five ‘filters’ (the size, concentrated ownership, owner wealth and profit-orientation of the most dominant mass media firms) that act to limit what the media reports in accord with governmental and corporate interests. As McChesney (1989) notes:

“Only stories with a strong orientation to elite interests can pass through the five filters unobstructed and receive ample media attention. The model also explains how the media can conscientiously function when even a superficial analysis of the evidence would indicate the preposterous nature of many of the stories that receive ample publicity in the press and on the network news broadcasts.”

Labeling

Like all propagandists, corporate media people seek to prefigure perceptions of a subject with a positive or negative label. Some positive ones are: “stability,” “the president’s firm leadership,” “a strong defense,” and “a healthy economy.” Indeed, who would want instability, weak presidential leadership, a vulnerable defense, and a sick economy? The label defines the subject, and does it without

having to deal with actual particulars that might lead anybody to a different conclusion. Some common negative labels are: “leftist guerrillas,” “Islamic terrorists”, “conspiracy theories,” “inner-city gangs,” and “civil disturbances.” These, too, are seldom treated within a larger context of social relations and issues. The corporate press itself is facilely and falsely labeled “the liberal media” by the hundreds of conservative columnists, commentators, and talk-show hosts who crowd the communication universe while claiming to be shut out from it.

How Come Zimbabwe Gets Massive Media Attention?

There is no question that the struggle over land and power in Zimbabwe has brought the country to a grim pass. Nearly a decade after the takeover of white-owned farms and the rupture with the west, economic breakdown, hyperinflation, sanctions and Aids have taken a heavy toll. With the expectation now that a second round of elections, mired in claims of fraud, may after all keep President Mugabe in power, the prospect must be of continued economic punishment and crisis.

The US ambassador to the UN, Zalmay Khalilzad, said as much when he declared Zimbabwe the “most important and urgent issue” in Africa. Gordon Brown and George Bush both denounced the delay in releasing election results, the prime minister declaring that the “international community’s patience with the regime is wearing thin”. The British media have long since largely abandoned any attempt at impartiality in its reporting of Zimbabwe, the common assumption being that Mugabe is a murderous dictator at the head of a uniquely wicked regime.

But, on the basis of the scale of violence, repression and election rigging alone, you would be hard put to explain why these conflicts have been singled out for such special attention. In the violence surrounding Zimbabwe’s elections, two people are currently reported to have died. By contrast, in Somalia, where US-backed Ethiopian and Somali troops are fighting forces loyal to the ousted government, several thousand have been killed since the beginning of the year and

half the population of the capital, Mogadishu, has been forced to flee the city in what UN officials describe as Africa's worst humanitarian crisis.

When it comes to rigging elections, countries like Jordan and Egypt have been happy to oblige in recent months - in the Egyptian case, jailing hundreds of opposition activists into the bargain - and almost nobody in the west has batted an eyelid. In Saudi Arabia there are no national elections at all, let alone the opposition MPs and newspapers that exist in Zimbabwe. In Africa, Togo has been a more flagrant rigger, while in Cameroon last week the president was given the job for life. And when it comes to separatist and independence movements, the Turkish Kurds have faced far more violence and a tighter cultural clampdown than the Tibetans.

The crucial difference, of course, and the reason why these conflicts and violations don't get the deluxe media and political treatment offered to the Zimbabwean opposition is that the governments involved are all backed by the West, compounded in the Zimbabwean case by a transparently racist agenda. But it's not just an issue of hypocrisy and double standards, egregious though they are. It's also that British and US involvement and interference have been crucial to the Zimbabwean conflict.

That's most obviously true in Zimbabwe, which was not just a British colony, but where Britain refused to act against a white racist coup, triggering a bloody 15-year liberation war, and then imposed racial parliamentary quotas and a 10-year moratorium on land reform at independence. The subsequent failure by Britain and the US to finance land buyouts as expected, along with the impact of IMF programs, laid the ground for the current impasse.

What has made human rights edicts by the US and Britain since the launch of the "war on terror" even more preposterous is that not only are they themselves supporting governments with similar or worse records, but they are directly responsible for these outrages themselves: from illegal invasions and occupations to large-scale killing and torture, along with phony elections in Iraq and Afghanistan. The UN estimates that more than 700 people were killed in the US and British-backed

attacks on the Mahdi army in Iraq, a central motive for which was to stop them taking part in elections.

Meanwhile, the best chance both of settling the Zimbabwean crisis is without the interference of western powers, which would do better improving the human rights records of their allies and themselves. The days of colonial *dictat* are over and where attempts are made to revive them, they will be resisted. China is now an emerging global power - and, as the Zimbabwean ambassador to the UN said yesterday, Zimbabwe “is no longer a British colony”.

The undying struggle to capture Zimbabwe is simply to turn off possible converts to Mugabe’s seething nationalism in favor of neoliberal dispossession of the country. In other words, what neoliberalism does as an ideology is that once it controls the government is to dismantle it as a dead institution that impedes corporate interests of profit-making. This is propagandized by such phrases “getting the government off the backs of the people,” when “the people” means “the elites,” and by keeping the people in fear of losing their jobs, or more jobs. By reducing government influence in the private sector to protectionist law-making and prosecution of self-chosen illegalities in profit-making, it provides neoliberal hacks with the only thing they desire: an unlimited ability to create wealth for themselves only, and to rig the game further in their favor.

Plans for “Decades of War” in Africa

The French intervention in Mali, followed by the bloody siege in Algeria, represents a turning point in what has emerged as a new imperialist scramble for Africa. With these events, following on the heels of the US-NATO war for regime-change in Libya and the Washington-backed sectarian civil war in Syria, mankind is witnessing a convulsive drive by the major powers to re-divide the world, its territories, markets and resources. There is every reason to believe that this campaign to re-colonize will be even bloodier and more oppressive than the original colonization of Africa. As in the Libyan war, France took the lead in unleashing fighter bombers and deploying its dogs of war, the French Foreign Legion, in Mali.

However, the other major imperialist powers have made it clear that they will not remain on the sidelines. Britain's Prime Minister David Cameron vowed that the UK will "work with others to close down the ungoverned space" in northwest Africa "with all the means that we have." Terming the developments in Mali and neighboring countries a "global threat," Cameron declared they would "require a response that is about years, even decades, rather than months."

The Obama administration initially adopted a cautious approach to the Mali events, no doubt out of concern that it could end up helping an imperialist competitor and undercut its own predatory aims in Africa. However, with the Algerian hostage crisis, which claimed the lives of at least 80 people, including three Americans, Washington has made it clear it intends to intervene aggressively. US Defense Secretary Leon Panetta commented: "We have a responsibility to go after Al Qaeda wherever they are. And we've gone after them in the FATA (Pakistan's Federally Administered Tribal Areas). We're going after them in Yemen and Somalia. And we have a responsibility to make sure that Al Qaeda does not establish a base for operations in North Africa and Mali."

The message was unmistakable. Mali and the region are to be turned into a new front in the global US killing spree, to be carried out in the first instance with Predator drones and Hellfire missiles. The US has also announced that it is sending US Special Forces troops as "trainers" and "advisors" to the six countries—Niger, Nigeria, Burkina Faso, Senegal, Togo and Ghana—which are to provide the troops for an African force being cobbled together by the Economic Community of West African States (ECOWAS) as a proxy for imperialist intervention. It will also provide aircraft to deliver them to Mali. So much for Obama's inauguration rhetoric. "A decade of war is now ending," he declared just a day after Cameron's warning that decades of war in Africa have only just begun.

Africa has entered a period when each new war only begets the next: Libya, Syria and now Mali in the space of less than two years. The connection between them is rarely recognized in the media, which breathlessly reports each new crisis, from the fighting in Mali to the hostage drama at the gas complex in Algeria, as if it were a senseless

outrage explicable only as part of the unfolding battle between good and evil known as the global war on terrorism. The word “blowback” is not to be uttered in the polite company of network news. Yet this is precisely what is involved. The US-NATO war for regime-change in Libya destabilized the entire region. It had the effect of sending Tuaregs, many of whom who had served in Gaddafi’s security forces, fleeing back into Mali under conditions in which Libya’s NATO-backed “revolutionaries” were hunting down and murdering people with black skins.

The Tuaregs, a nomadic people of the Sahel, the region on the edge of the Sahara desert, are to be found in northern Mali as well as Niger, Algeria, Morocco, Libya and Burkina Faso. In Mali, oppression and neglect by the central government led to four major revolts since independence in 1960. Similar revolts took place in neighboring Niger. The arrival of Tuaregs from Libya, together with large quantities of Libyan weapons, triggered the latest revolt, which was swelled by the wholesale defection of Tuareg troops and officers from the Mali army.

The secular Tuareg nationalists, however, were quickly supplanted by better armed and funded Islamist forces. Immensely strengthened by the US-NATO war in Libya, where they were armed and backed by Washington as proxy ground forces against Gaddafi, they are now being similarly armed and funded as shock troops in the war for regime-change in Syria. It has become impossible to understand US policy in the Middle East and Africa without recognizing that Washington operates in a de facto alliance with Al Qaeda-linked forces.

Al Qaeda in the Islamic Maghreb (AQIM), the new “war on terror” bogey man, is, like its predecessor in Afghanistan, a Frankenstein monster of Western imperialism. It emerged from forces that had traveled to Afghanistan with US support to fight the Soviet-backed regime in Kabul in the 1980s, and then returned home to fight the bloody Algerian civil war of the 1990s, when US and French imperialism backed the Algerian military in seizing power to prevent the election of the Islamic Salvation Front. In the repression that followed, over 100,000 Algerians were killed.

The Algerian government charged that AQIM, like the US-backed “rebels” in Syria, is funded by Washington’s key ally, the Gulf sheikdom of Qatar. And before the present conflict, it was well known that AQIM and similar groups enjoyed the tacit approval of Mali’s US and French-backed central government, which saw the Islamists as a useful counterweight to the Tuaregs.

The world is asked to believe that this same force has become a “global” threat that may at any moment attack “the homeland.” The escalating war in Africa is neither about terror nor Al Qaeda. *Time* magazine succinctly outlined the real motives in Mali: “The dangers expand elsewhere, with huge oil reserves attracting Western companies to set up production across the vast Sahel. South of Algeria and Mali sits Niger, a dirt-poor desert country with the world’s fourth largest output of uranium, which supplies France’s crucial network of nuclear-power stations. East of Algeria is Libya, where a number of Western companies exploit some of Africa’s biggest oil reserves.”

US corporate capitalists and their European allies that formerly colonized Africa are determined to lay hold of these resources. Washington and the European powers are being supplanted by China as Africa’s single largest trading partner and badly trailing Beijing in terms of growth in foreign direct investment, they are turning to military intervention as a means of offsetting their declining economic fortunes in the continent. As with the inter-imperialist rivalries generated by the scramble for Africa over a century ago, the present conflicts over domination of the continent point toward the eruption of a new world war.

One thing is clear. Formal democratic structures will not allow totalitarian regimes, so the institution becomes authoritarian rather than totalitarian. Hence, African political elites rely on the heavy use of propaganda and brute force to maintain neoliberal elite interests. That is to say NATO propaganda is used as the domestic and foreign oil to this machine, and the institutional structure propagates itself domestically as well as internationally by propaganda. NATO’s reliance on propaganda is necessary because in an affluent country and/or a democratic institution of any type, forced consent is difficult to maintain in the long run. It propagates itself within and outside its own

boundaries by the exercise of force. Taken together, force and propaganda are the sources of authoritarian power in any institutional structure. Control the use of both, and power can become absolute. This is what is planted wherever NATO sets foot.

Responsibility to Protect—Cases of Libya and Ivory Coast

The United States, France and Britain invaded Libya with cruise missiles, stealth bombers, fighter jets and attack jets. Although NATO has taken over the military operation, U.S. President Barack Obama carpet bombed Libya with Hellfire missiles from unmanned Predator drones. The number of civilians these foreign forces have killed remains unknown. This military campaign was ostensibly launched to enforce United Nations Security Council Resolution 1973 in order to protect civilians in Libya.

In addition, the United Nations and France have been bombing the Ivory Coast to protect civilians against violence by Laurent Gbagbo, who refuses to cede power to the newly elected president after a disputed election. UN Secretary Ban Ki-Moon insists that the United Nations is “not a party to the conflict.” France, former colonial ruler of Ivory Coast, has over 1,500 troops stationed there. Ivory Coast is the world’s second largest coffee grower and biggest producer of cocoa. The bombing of Ivory Coast is being undertaken to enforce Security Council Resolution 1975 to protect civilians there. The UN Charter does not permit the use of military force for humanitarian interventions. The military invasions of Libya and Ivory Coast have been justified by reference to the Responsibility to Protect doctrine.

The Responsibility to Protect is contained in the General Assembly’s Outcome Document of the 2005 World Summit. It is not enshrined in an international treaty nor has it ripened into a norm of customary international law. Paragraph 138 of that document says each individual State has the responsibility to protect its populations from genocide, war crimes, ethnic cleansing, and crimes against humanity. Paragraph 139 adds that the international community, through the United Nations, also has “the responsibility to use appropriate diplomatic, humanitarian and other peaceful means, in accordance with

Chapters VI and VIII of the Charter, to help protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity.”

Chapter VI of the Charter requires parties to a dispute likely to endanger the maintenance of international peace and security to “first of all, seek a solution by negotiation, enquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.” Chapter VIII governs “regional arrangements,” such as NATO, the Arab League, and the African Union. The chapter specifies that regional arrangements “shall make every effort to achieve pacific settlement of local disputes through such regional arrangements . . .”

It is only when peaceful means have been tried and proved inadequate that the Security Council can authorize action under Chapter VII of the Charter. That action includes boycotts, embargoes, severance of diplomatic relations, and even blockades or operations by air, sea or land.

The Responsibility to Protect doctrine grew out of frustration with the failure to take action to prevent the genocide in Rwanda, where a few hundred troops could have saved myriad lives. But the doctrine was not implemented to stop Israel from bombing Gaza in late 2008 and early 2009, which resulted in a loss of 1,400 Palestinians, mostly civilians. Security Council Resolution 1973 begins with the call for “the immediate establishment of a ceasefire.” It reiterates “the responsibility of the Libyan authorities to protect the Libyan population” and reaffirms that “parties to armed conflicts bear the primary responsibility to take all feasible steps to ensure the protection of civilians. The resolution authorizes UN Member States “to take all necessary measures . . . to protect civilians and civilian populated areas” of Libya.

But instead of pursuing an immediate ceasefire, immediate military action was taken instead. The military force exceeded the bounds of the “all necessary measures” authorization. “All necessary measures” should first have been peaceful measures to settle the conflict. Yet peaceful means were not exhausted before the military invasion began. A high level international team – consisting of representatives from the Arab League, the African Union, and the UN Secretary General –

should have been dispatched to Tripoli to attempt to negotiate a real cease-fire, and set up a mechanism for elections and for protecting civilians. Moreover, after the passage of the resolution, Libya immediately offered to accept international monitors and Qaddafi offered to step down and leave Libya. These offers were immediately rejected by the opposition.

Security Council Resolution 1975 regarding Ivory Coast is similar to resolution 1973 regarding Libya. The former authorizes the use of “all necessary means to . . . protect civilians under imminent threat of physical violence” in Ivory Coast. It reaffirms “the primary responsibility of each State to protect civilians” and reiterates that “parties to armed conflicts bear the primary responsibility to take all feasible steps to ensure the protection of civilians.”

The UN Charter commands that all Members settle their international disputes by peaceful means, to maintain international peace, security, and justice. Members must also refrain from the threat or use of force against the territorial integrity or political independence of any state or in any manner inconsistent with the Purposes of the United Nations. Only when a State acts in self-defense, in response to an armed attack by one country against another, can it militarily attack another State under the UN Charter. The need for self-defense must be overwhelming, leaving no choice of means, and no moment for deliberation. Neither Libya nor Ivory Coast had attacked another country. The United States, France and Britain in Libya, and France and the UN in Ivory Coast, did not act in self-defense. Humanitarian concerns do not constitute self-defense.

There is a double standard in the use of military force to protect civilians. Obama has not attacked Bahrain where lethal force is being used to quell anti-government protests because that is where the U.S. Fifth Fleet is stationed. In fact, the Asia Times reported that before the invasion of Libya, the United States made a deal with Saudi Arabia, whereby the Saudis would invade Bahrain to help put down the anti-democracy protestors and Saudi Arabia would enlist the support of the Arab League for a no-fly-zone over Libya.

The League’s support for a no-fly-zone effectively neutralized opposition from Russia and China to Security Council Resolution

1973. Moreover, the military action by the U.S., France and Britain went far beyond a no-fly-zone. Indeed, Obama, France's President Nicolas Sarkozy and Britain's David Cameron penned an op-ed in the *International Herald Tribune* that said the NATO force would fight in Libya until President Muammar Qaddafi was gone, even though the Resolution did not sanction forcible regime change.

When Obama defended his military actions in Libya, he said "Some nations may be able to turn a blind eye to atrocities in other countries. The United States of America is different." Two weeks later, the Arab League asked the Security Council to consider imposing a no-fly-zone over the Gaza Strip in order to protect civilians from Israeli air strikes. But the United States, an uncritical ally of Israel, never allowed the passage of such a resolution, regardless of the number of Palestinian civilians Israel kills. This is a double standard.

The military actions in Libya and Ivory Coast set a dangerous precedent of attacking countries where the leadership does not favor the pro-U.S. or pro-European Union countries. What will prevent the United States from stage-managing some protests, magnifying them in the corporate media as mass actions, and then bombing or attacking Venezuela, Cuba, Iran, or North Korea?

Demonization of anti-West African Leaders

According to *Wikileaks*, while American officials attempted unsuccessfully to downplay the information revealed in the leaked files, a picture is emerging of unflattering portrayals of many African governments, critical remarks related to African political leaders including former South African president Nelson Mandela and Zimbabwe's Robert Mugabe. There is also evidence of significant intelligence gathering pointing to intense interest by the U.S. areas of intense resource conflicts in countries like Burundi, the Republic of Congo and Rwanda. "Most of us suspected that that was the case, and that has been pretty much confirmed by the manner in which African nations are treated in diplomatic circles, especially in terms of money they receive and all the other kinds of courtesies that are not afforded African countries or its leaders," said Prof. Starks.

For example, a July 12, 2008, a diplomatic cable by Christopher W. Dell with the subject: “The End is Nigh” reveals the U.S. ambassador’s unflattering opinion of President Mugabe calling him, “a brilliant tactician and has long thrived on his ability to abruptly change the rules of the game, radicalize the political dynamic and force everyone else to react to his agenda. However, he is fundamentally hampered by several factors: his ego and belief in his own infallibility; his obsessive focus on the past as a justification for everything in the present and future; his deep ignorance on economic issues (coupled with the belief that his 18 doctorates give him the authority to suspend the laws of economics, including supply and demand); and his essentially short-term, tactical style.”

Considering opposition leadership choices in Zimbabwe as “far from ideal,” the U.S. considered Morgan Tsvangarai a possible choice for support. He later became Zimbabwe’s prime minister in 2009. Mr. Tsvangarai was considered “(a) brave, committed man” but also “a flawed figure, not readily open to advice, indecisive and with questionable judgment in selecting those around him. He is the indispensable element for opposition success, but possibly an albatross around their necks once in power.” Current Deputy Prime Minister Arthur Mutambara was considered “a light-weight who has spent too much time reading U.S. campaign messaging manuals and too little thinking about the real issues.”

Amb. Dell went on to write, “The great saving grace of the opposition is likely to be found in the diaspora. Most of Zimbabwe’s best professionals, entrepreneurs, businessmen and women, etc., have fled the country. They are the opposition’s natural allies and it is encouraging to see signs, particularly in South Africa and the UK, that these people are talking, sharing ideas, developing plans and thinking together about future recovery.” Former AU President and Libyan Leader Muammar Gadhafi was derided in a 2009 cable for his “eccentricities.” “Muammar al-Gadhafi has been described as both mercurial and eccentric, and our recent first- hand experiences with him and his office, primarily in preparation for his UNGA trip, demonstrated the truth of both characterizations,” wrote Amb. Gene Cretz.

Another 2008 cable described a conversation in which Sen. John Kerry and the ambassador questioned Egyptian President Hosni Mubarak regarding the African Summit he attended in Sharm El-Sheik, as well as his views on Sudan. In response to those queries, President Mubarak reportedly said that while not discussed publicly at the AU summit, the problem in Sudan could be solved because “two tribes always work things out.” Another cable dated 2009 discussed the controversial security firm Blackwater (now known as Xe Services) receiving permission from the government of Djibouti to conduct counter-piracy operations “to protect commercial shipping from pirates off the coast of Somalia,” including the use of lethal force if necessary. Other cables from the U.S. State Department show an interest in the agricultural policies of some African countries, such as Burundi, the Republic of Congo, and Rwanda, perhaps in preparation for exporting genetically modified foods.

Though described in cables as “a swamp of corruption” according to *Der Spiegel*, Kenyan government spokesman Alfred Mutua considered the reported comments “malicious and a total misrepresentation of Kenya and its leaders.” Kenya has suffered as a result of being aligned with U.S. foreign policy interests and has received pressure from neighboring governments to clamp down on terrorism. A bombing in Kampala, Uganda on July 11 killed 76 people resulted in the arrests of many, including activist Al- Amin Kimathi, who was detained along with Mbugua Mureithi, a Kenyan attorney. The men have been involved in delivering legal assistance and advice to Kenyans accused of terrorism by the Ugandan authorities. Additionally, though occurring over 12 years ago, the 1998 U.S. Embassy bombings in Kenya linked to Osama bin Laden were aimed at U.S. foreign interests in the region.

Ugandan President Yoweri Museveni, who came to power following a 1989 coup has towed the U.S. line related to the “War on Terror,” and it is no secret that Mr. Museveni has been a reliable proxy for U.S. interests in the region. The U.S. backed Ugandan and Rwandan invasions of the Congo reportedly killed over six million people from 1997-2003.

“The cables show the extent of U.S. spying on its allies and the UN; turning a blind eye to corruption and human rights abuse in ‘client states’; backroom deals with supposedly neutral countries; lobbying for U.S. corporations; and the measures U.S. diplomats take to advance those who have access to them. This document release reveals the contradictions between the US’ public persona and what it says behind closed doors—and shows that if citizens in a democracy want their governments to reflect their wishes, they should ask to see what’s going on behind the scenes,” the Wikileaks Cablegate website declared.

“Every American schoolchild is taught that George Washington—the country’s first President—could not tell a lie. If the administrations of his successors lived up to the same principle, today’s document flood would be a mere embarrassment. Instead, the U.S. Government has been warning governments—even the most corrupt—around the world about the coming leaks and is bracing itself for the exposures.”

U.S. Secretary Hilary Clinton has been very vocal regarding the American government’s displeasure regarding the leaked documents which have caused considerable embarrassment for the Obama administrations saying, “It puts people’s lives in danger, threatens our national security, and undermines our efforts to work with other countries to solve shared problems,” said Sec. Clinton. “This disclosure is not just an attack on America’s foreign-policy interests, it is an attack on the international community--the alliances and partnerships, the conversations and negotiations, that safeguard global security and advance economic prosperity.”

Face value transmission

One way to lie is to accept at face value what are known to be official lies, uncritically passing them on to the public without adequate confirmation. For the better part of four years, in the early 1950s, the press performed this function for Senator Joseph McCarthy, who went largely unchallenged as he brought charge after charge of treason and communist subversion against people whom he could not have victimized without the complicity of the national media.

Face-value transmission has characterized the press's performance in almost every area of domestic and foreign policy, so much so that journalists have been referred to as "stenographers of power." Perhaps, some labels are well deserved. When challenged on this, reporters respond that they cannot inject their own personal ideology into their reports. Actually, no one is asking them to. My criticism is that they already do. Their conventional ideological perceptions usually coincide with those of their bosses and with officialdom in general, making them faithful purveyors of the prevailing neoliberal orthodoxy. This confluence of bias is perceived as "objectivity."

For example, speculation by innumerable esteemed personalities including US officials, academics and journalists about the role of Osama Bin Laden and his legendary terror network has also been exploited to fuel a more general anti-Muslim suspicion and hostility. The hysteria harks back to the 1998 bombing of Sudan when the US destroyed a pharmaceutical factory, killing an unknown number of civilians, on the pretext that it was actually one of Bin Laden's chemical weapons factories. Not long after this event was it revealed that the factory produced essential medicines for the Sudanese, and had nothing to do with Bin Laden. The US also blocked an inquiry by the UN into the bombing which would have disclosed the exact number of civilian casualties.

The reaction of the United States speaks volumes about the real nature of the new program of indiscriminate targeting of the entire Muslim world. Former spokesman for the U.S. State Department James Rubin outlined the future vision on BBC 2's *Newsnight*, London, 11 September 2001: "We lead. We go around the world and we make people be counted whether they're on our side, or on the side of the terrorists." In other words, the U.S. solution is to categorize "people" around the world into two types: those who support U.S. and Western terrorism around the world whether they know it or not and who are thus "on our side"; and those who do not, who will inevitably be labeled those "on the side of the terrorists". And accordingly those who are not "on our side" will be targeted indiscriminately. This view has been adopted uncritically by the media:

“The response to this unimaginable 21st-century Pearl Harbor should be as simple as it is swift - kill the bastards. A gunshot between the eyes, blow them to smithereens, poison them if you have to. As for cities or countries that host these worms, bomb them into basketball courts.” (Dunleavy, Steve, *New York Post*, 12 September 2001).

Furthermore, Libya represents a new low in Western government war crimes—which is something of a disturbing record given the decades of war criminality by these governments. In Libya, not only is there the criminal military assault on a sovereign country, the destruction of civilian infrastructure, the murder of women and children, and all the violation of international law that that entails—we now have the complete lobotomisation of language and normal meaning of words.

As US, British, French and other NATO warplanes pounded Libya with 8,000 strike sorties involving extensive bombing raids, the world has in truth witnessed a concerted campaign of outright war crimes to bring down the government of Muammar Gaddafi. Thousands of civilians have been murdered in this blitzkrieg, which, it will be recalled, was orchestrated through the United Nations as an intervention to “protect civilians”. Whatever the grievances against Gaddafi may have been they cannot be compared with the destruction and slaughter that the NATO powers have inflicted.

How could such deformation of international law be achieved and made to appear normal, acceptable? It is in large part because the Western powers have deformed the normal meaning of language to go along with their criminal actions. This is propaganda taken to a new level where reasonable criticism is rendered nearly impossible because the framework of words has become unintelligible and therefore hardly answerable. In previous imperialist interventions, for example Afghanistan and Iraq, Western powers at least used the word “war” to go along with their self-serving actions. In former Yugoslavia and Somalia, we at least heard the term “humanitarian war”. Before that, we were told of Cold War, “war on communists, “war on drugs”. Notwithstanding that these “wars” were but deceptive covers for imperialist control of resources.

However, in the case of Libya, the word “war” has been dropped altogether from all discourse about Western intervention. It’s called a “responsibility to protect civilians lives”. This disarticulated language and meaning is repeated even though the factual truth of what is happening is an exact conformation to the word “war”. And not only “war” but “criminal war”. The murder of civilians by NATO warplanes is a war crime in the normal framework of fact, truth, reality, law and morality. But in the abnormal, hideous framework of Western imperialist propaganda it is called “protecting civilians” and “supporting democracy”.

And the Western mainstream media are complicit in these war crimes. The Western media have made absurdities acceptable through their non-reporting and distortion of crimes by NATO powers. If people can be made to believe absurdities, then they can be made to accept atrocities.” Libya can be seen as the pinnacle of Orwellian function—meaning the nadir in normal reasoning. In its relentless one-eyed coverage of Libya, the Western media has served as the ministry of disinformation for NATO.

Throughout the whole period, the bombardment of Libya has been presented in the mainstream media as “responsibility to protect civilians”. The fact that NATO has gone well beyond even the fake terms of its UN mandate to act as an air force to pave the way for a minor insurrection is not reported; the fact of civilian deaths caused by NATO warplanes is not reported; the fact that NATO special forces have led insurgents on the ground has not been reported; the fact that the Western governments have collaborated with the despotic Arab regimes of Saudi Arabia and Qatar to dismantle a sovereign government and gain control of its huge oil reserves has not been reported. All the while, the Western mainstream media have collaborated with NATO powers to lobotomise truth, reality and normal language to conceal war crimes—the latest episode now being the “triumph in Tripoli”.

Yet, ludicrously, the Western media describe the latest [NATO-led] marauding of Tripoli by anti-Gaddafi insurgents as “a triumph”—as opposed to the simple fact that is a consequence of several months of NATO-imposed terror. Unlike the Western mainstream media,

including CNN and BBC, Global Research has told the truth about NATO actions in Libya. Now the personal safety of independent journalists is at serious risk. Their lives have been threatened. We fear that this is just the beginning of a wider descent into bloody chaos that will befall Libya now that NATO has pushed its agenda of regime change to another notch.

Disturbingly, NATO's illusion of "responsibility to protect" will be stretched to even further distortion in the coming months and years. As Libya's state of Western-imposed anarchy looks set to transmogrify into yet another quagmire of Afghanistan and Iraqi proportions, the NATO powers are already preparing to invoke their criminal mandate to "protect" with more boots on the ground, the use of death squads and relentless manipulation of political proxies.

If Western publics seem confused and perplexed by their governments' "wars without end"—the never-ending mayhem, body bags, dysfunctional administrations in far-off lands, terror blowback and budget-busting military costs—then one of the first things they should do is switch off the "ministry of disinformation". The Western media has shown itself now in Libya—more than ever—to be systematically complicit in an ongoing criminal war on the world by Western capitalist powers.

False balancing

In accordance with the canons of good journalism, the press is supposed to tap competing sources to get both sides of an issue. In fact, both sides are seldom accorded equal prominence. One study found that on NPR, supposedly the most liberal of the mainstream media, right-wing spokespeople are often interviewed alone, while liberals—on the less frequent occasions they appear—are almost always offset by conservatives. Furthermore, both sides of a story are not necessarily all sides. Left-progressive and radical views are almost completely shut out.

In Zimbabwe, a tenuous purgatory of waiting has ensued—waiting for Mugabe's grip on power to ease, waiting for Mugabe to die (he was born in 1924). But in spite of rumored puffy ankles—cancer was one

of the whispered speculations—Mugabe appeared as robust as ever. In 2010 *Foreign Policy* magazine named Mugabe the second worst dictator in the world, after North Korea's late leader Kim Jong Il.

There are at least two things to know about Zimbabweans. The first is that they have an immoderate attachment to their land. Anyone who has seen the spring-red blush of *musasa* woodland at the beginning of the rains, or felt the crackle-hot wind of a lowveld summer afternoon, or absorbed the scents of sweet potato and marigold as dusk settles over the bush will know that theirs is a soul-snagging land. Of course, such an attachment to land comes at a price. For it, and over it, there will be wars and revolutions, and the inevitable loss of land by the vanquished or the politically unlucky will be so unendurable that the unmoored people will end up true ghosts, souls in search of soil.

The second thing to know about Zimbabweans is that they are a small but persistently noisy nation of storytellers and music makers. The Bhundu Boys were pop diva Madonna's supporting act at Wembley Stadium in London in 1987. Thomas Mapfumo, the Lion of Zimbabwe, created a genre of protest music—*chimurenga* (uprising). Africa's most prestigious literary award, the Caine Prize, has twice gone to Zimbabweans in its 13-year history (Brian Chikwava in 2004, NoViolet Bulawayo in 2011). Charles Mungoshi won two Pen International awards in 1976, and Dambudzo Marechera won the Guardian Fiction Prize in 1979. Doris Lessing, who spent her formative years in the country, won the Nobel Prize in literature.

By late 1979 liberation forces were coming into Rhodesia from camps in neighboring Mozambique and Zambia faster than government troops could kill them. A peace was negotiated. The following February general elections were held and won by the Zimbabwe African National Union—Patriotic Front (ZANU-PF). Its leader became Zimbabwe's first prime minister. Robert Gabriel Mugabe exuded an air of conciliatory magnanimity. My mother wasn't buying it. My parents moved north to Malawi.

Working along fault lines well established by the white minority government before him—which is to say, ethnic, racial, and political—

Mugabe went about further dividing his nation and securing absolute power for himself.

There are two main ethnic groups in Zimbabwe: the majority Shona and the minority Ndebele. Mugabe is Shona. In 1983 Mugabe deployed his North Korean-trained Five Brigade into the west of the country to preempt any Ndebele political opposition. Over the following five years, an estimated 20,000 Ndebele were massacred. “He understood and manipulated our weaknesses very well,” Wilfred Mhanda, a former ZANU-PF liberation commander who fought along with Mugabe, told me. “There is nothing more deadly than someone so profoundly insecure mimicking the aggression of his oppressors and becoming an oppressor in turn.”

Mugabe tolerated corruption in his cabinet, as long as it came with loyalty to him. The country’s economy was collapsing, and by the mid-1990s there were fuel shortages, civil servants were striking, and liberation war veterans began to demand the compensation they had been promised at independence. Then, in 1998, Mugabe sent troops into the Democratic Republic of the Congo to prop up the teetering regime of Laurent Kabila, at an eventual cost equivalent to a million U.S. dollars a day. Zimbabwe’s economic fate was sealed.

Africom, Sovereignty, Independence and Security of Africa

The National Conference of Black Lawyers (NCBL) concludes that the mission of Africa Command (Africom) infringes on the sovereignty of African states due to the particularity of Africa’s history and Africa’s current economic and political relationship to the United States. Further, Africom is designed to violate international law standards that protect rights to self-determination and that prohibit unprovoked military aggression. Africom is also likely to become a device for the foreign domination and exploitation of Africa’s natural resources to the detriment of people who are indigenous to the African continent.

NCBL opposes Africom in the strongest terms and calls upon people of African descent in the U.S. to avoid military service to ensure that they will not be ordered to carry out missions on behalf of

Africom, or any military unit or program engaged in violating international law, committing crimes against humanity, or committing crimes of any kind that threaten the peace of any continent.

What Is Africom?

Africom is a project that will substantially change the nature of the U.S. military presence in Africa by establishing a single U.S. military command headquarters that will have Africa as its sole focus. Africom has become a Rorschach Test because while the U.S. government sees it as a vehicle for bringing peace and prosperity to the continent, it is seen by others as Africa's greatest new threat. Because of vague, confusing official statements, it has been difficult to ascertain precisely what the U.S. government claims that Africom will actually do. Africom's website describes the project as a vehicle for the Defense Department to collaborate with "partners to achieve a more stable environment in which political and economic growth can take place." That description raises more questions than it answers. The following official statement sheds little additional light: "Africa is growing in military, strategic and economic importance in global affairs".

However, many nations on the African continent continue to rely on the international community for assistance with security concerns. From the U.S. perspective, it makes strategic sense to help build the capability for African partners, and organizations such as the Africa Standby Force, to take the lead in establishing a secure environment. This security will, in turn, set the groundwork for increased political stability and economic growth. Some critics are highly suspicious of the reference to "economic growth." Specifically, does that refer in real terms to the economic health of Africa's poor, or instead to expansion of opportunities for multinational corporations to exploit Africa's natural and human resources as they have for decades? It has been suggested that the Bush Administration actually has three primary items on its agenda:

- 1) making Africa another front in the Administration's war on "terrorism";
- 2) protecting U.S. access to African oil, mineral wealth

and other raw materials; and 3) putting the U.S. in a better position to compete with China for domination of Africa's resources.

It is further suggested that the Bush Administration has no interest in accomplishing any of these objectives directly, and that Africom's purpose is to identify and nurture the development of African governments that will function as U.S. surrogates. In this regard, Africom is off to a very bad start. As of the date of this writing, the Africom concept has been received with everything from skepticism to hostility by significant African governments, and NCBL is aware of only Liberia as having expressed a clear willingness to provide a location for Africom headquarters. TransAfrica Forum spokespersons have astutely suggested that Africa's cool reaction to Africom may well reflect shared memories and opinions that: "(d)uring the cold war, African nations were used as pawns in post-colonial proxy wars, an experience that had a devastating impact on African democracy, peace and development.

In the past Washington has aided reactionary African factions that have carried out atrocities against civilians. An increased U.S. military presence in Africa will likely follow this pattern of extracting resources while aiding factions in some of their bloodiest conflicts, thus further destabilizing the region. Why NCBL is concerned if there is any principle that runs like a thread through all of the work of the National Conference of Black Lawyers, it is that protecting the human right of self-determination for all people must be given the highest priority.

NCBL also recognizes that crimes against peace are among the most serious of all international criminal law violations. NCBL's principles have motivated the organization to consistently oppose military intervention into the sovereign territories and internal affairs of other countries. NCBL has opposed military operations against the Palestinians, instituted litigation against the Reagan administration in the aftermath of the invasion of Grenada, and also provided a consistent voice in opposition to the efforts by several administrations to destabilize Cuba through covert and military means. NCBL has opposed threats of military intervention and the use of mercenary proxies in Nicaragua, Angola and elsewhere. NCBL vigorously opposed the kidnapping of Jean Bertrand Aristide from Haiti, and has

sounded an ongoing note of concern about the shrill threats made against the current government of Zimbabwe. Lastly, NCBL has opposed the war in Iraq, and regards it as a crime against peace. It is against this backdrop that NCBL has grave concerns about expansion of U.S. military operations in Africa.

The U.S. in Africa

The Historical Context to say that the U.S. enters Africa with unclean hands understates the reality. The full extent of U.S. crimes against African governments and leaders during the past 40 years is likely yet unknown. However, in 1978, former CIA agent John Stockwell provided for many their first peek into a deadly, ruthless U.S. foreign policy that destroyed what could have been a far more promising political and economic future for the continent. In his book, *In Search of Enemies*, Stockwell explained that U.S. policy in Africa was driven heavily by Cold War concerns. Socialist forces in Angola and Mozambique were prime targets, and the favored method of suppression was use of mercenaries. Stockwell wrote: “Mercenaries seemed to be the answer, preferably Europeans with the requisite military skills and perhaps experience in Africa. As long as they were not Americans...” He went on to describe a collaboration between the CIA and South Africa’s apartheid regime in a campaign to crush emerging progressive Black leadership in Southern Africa.

The use of proxies and mercenaries to carry out U.S. objectives in Africa became a standard practice as a new class of socialist leaders emerged during the early years of African independence. In his book, Stockwell referenced the CIA’s complicity with dissidents in Ghana who overthrew Kwame Nkrumah, the country’s first president. Congo’s first prime minister, Patrice Lumumba, received special attention from the highest levels of the U.S. government after he announced plans to nationalize major industries in his country and to pursue a path of nonalignment in the then raging cold war between the U.S. and the Soviet Union.

Author Ludo De Witte wrote: “On 18 August 1960, during (a) National Security Council meeting, [President Dwight] Eisenhower

had made it clear, without explicitly saying so, that he favored Lumumba's elimination. An assassination operation was planned with the support of CIA chief [Allen] Dulles." Thereafter, the CIA concocted elaborate schemes to kill Lumumba by, among other things, putting poison in his toothpaste. Ultimately, the CIA saw its objectives accomplished by henchmen of the agency's stooge, Joseph Mobutu. After Lumumba was killed, Mobutu went on to become head of state in Congo, and his more than three decades of tyrannical reign was one of the bloodiest Africa has ever seen.

John Perkins, a former operative of the National Security Agency, has explained that the U.S. has routinely resorted to everything from bribery to cleverly-disguised assassinations in cases where heads of state have in some way threatened the profit-making potential of U.S.-based corporations. This raises special concerns because the threat to Africa's political and economic integrity comes not only from the U.S. government, but also from the multi-national corporations that are the beneficiaries of government policies. In recent years, this is seen most dramatically in Congo. In 2005, Human Rights Watch issued a report that from 1998 to 2003, a war to control gold fields in northeast Congo resulted in the deaths of more than 60,000 persons along with "ethnic slaughter, executions, torture, rape and arbitrary arrest..." The report goes on to attribute significant responsibility for this carnage to two foreign corporations that financed and fueled the conflict. They were Metalor Technologies, a Swiss refinery; and AngloGold Ashanti, a multinational corporation that, notwithstanding its name, is overwhelmingly directed and managed by non-Africans.

All of this raises critical questions of whether, with Africom, the U.S. is now positioning itself to become more directly involved - with or without proxies - in protecting corporate access to Africa's resources. In many other parts of the world, the U.S. has engaged in "regime change" as a matter of course for more than a century as a method of protecting the interests of the corporate world.

What's really at Stake Here?

The list of Africa's valuable mineral resources is endless: gold, diamonds, chromium, copper, etc. However, the continent's vast oil reserves have attracted perhaps the most attention from the U.S. government. In 2002, Walter Kansteiner, former U.S. assistant secretary of state for Africa, declared: "African oil is of strategic national interest to us and it will increase and become more important to us as we go forward." It is easy to understand why that perception exists. Currently, the amount of oil imported by the U.S. from the Persian Gulf is about 16 percent of its total imports. By the year 2015, it is projected that 25 percent of U.S. oil imports will be from West Africa.

It is clear that, on this issue, the U.S. puts its money where its mouth is. There is a stark correlation between U.S. aid to African countries and the oil producing potential of recipient African states. To be more concrete, as the two largest oil producers on the continent, Nigeria and Angola receive the most U.S. aid. More disturbing however (particularly for purposes of this discussion) is the level of U.S. military involvement in the protection of access to Africa's oil. The U.S. spends about \$250 million a year on military assistance programs in Africa. This assistance is not only in the form of "peacekeeping training" but it also involves direct arms sales. As a major oil and natural gas supplier Algeria has been allowed to acquire large quantities of counter-insurgency weapons.

Why the U.S. concern with "security" for Africa's oil? U.S. access is threatened for various reasons, but one that has been of great concern is guerrilla activity in the Niger Delta. An organization calling itself the Movement to Emancipate the Niger Delta (MEND) has, in recent times, been accused of destroying oil pipelines, kidnapping oil company personnel, stealing oil and assorted other acts. MEND has complained of oil industry economic exploitation and environmental destruction. It was reported that during the last year, many oil fields were shut down because of the attacks, and oil production fell short by more than 340 million barrels.

All of this prompts NCBL to view with great suspicion U.S. military statements that imply that the security objectives of Africom will be focused on Al Qaeda or other organizations that fit popular contemporary notions of terrorism. It will be all too easy for Africom to target groups like MEND, or even other political formations in Africa that pose no direct threat to oil operations, but which in a broader sense threaten corporate hegemony in Africa.

NCBL has been quite clear about its interest in eliminating the domination of Africa's natural resources by foreign corporations, and the idea that organizations that may engage in political work to bring about that objective might somehow become the targets of U.S. military operations is unacceptable. The Legal Concerns As an association of lawyers and legal activists, NCBL is particularly concerned about the potential Africom presents for routine and ongoing violations of international law.

With disturbing frequency, the U.S. has in recent decades launched unprovoked military attacks on other countries, or intervened in the internal affairs of other countries through the use of mercenaries or covert action designed to destabilize foreign governments or the economic, political or social order. Notions of self-determination and sovereign integrity are closely intertwined, and international law has attempted to protect both by proscribing military aggression and other actions that constitute crimes against peace. In fact, the treaty that governs the International Criminal Court has designated aggression as one of "...the most serious crimes of concern to the international community as a whole." Nevertheless, the International Criminal Court is currently unable to punish the international law crimes committed by the U.S. because the Bush Administration has steadfastly refused to submit to that court's jurisdiction. The absence of a method of prosecuting such crimes only heightens NCBL's concerns about the likelihood that Africom will engage in criminal acts with impunity.

The United Nations Charter is one of the most authoritative sources of international law, and it explicitly acknowledges the sovereign equality of all countries and provides that aggression which threatens international peace and the territorial integrity and independence of sovereign states is prohibited. So strong is this

concern about respect for independence that the United Nations even prohibits itself from injecting the U.N. into the internal affairs of member states unless very specific circumstances are present. However, even with those purported safeguards in the U.N. Charter, serious questions have been raised about the legality and usefulness of certain U.N. interventions over the years, providing additional reasons for the acute concerns about Africom, a far less restricted entity.

The U.S. claims that Africom is a response to African countries' continuing requests for assistance with security. However, this is at best a distortion given the cold shoulder that Africom has been given by most African countries. If assistance has been requested, there is apparently little interest in such assistance coming in the form of Africom. This means that if the U.S. goes forward with Africom, even without malicious intent, it will essentially become an unsolicited, unwelcome intrusion that threatens the ability of African states to exercise rights to self-determination.

It is more likely however that the ulterior motives of the U.S. that have been suggested by various commentators are the driving force behind Africom, and it will be difficult for that agenda to be carried out without military action, either by U.S. troops, or by surrogates. This threat to the peace, independence and stability of Africa is inconsistent with both the letter and spirit of applicable provisions of the U.N. Charter, and NCBL is therefore compelled to oppose Africom on legal as well as policy grounds.

Antidote to corporate media propaganda and authoritarianism

Can corporate media disinformation and misinformation be stopped in Africa? This is a very difficult question to answer. The reason is that of the many things African citizens might do to battle against the government-corporate media complex, there are two that will functionally ground such battles. First, media reporters and analysts, foreign and African, need to return to the use of critical thinking tools. This has long since been abandoned by corporate media, but if one simply returns to the American Founding Fathers and examines to esteem with which they held the ability to think

rationally and logically (e.g. Thomas Jefferson; Thomas Paine), one cannot help but advocate this method of reviewing government policies and statements. For starters, let us propose two platforms for such use of critical thinking: first, general questions need to be directed at institutional authorities in dispossessed Africa concerning their use of power, especially “*qui bono?*” the true test of whether a government is truly democratic or not. Second, deeper questions should be directed toward (and result from) analysis of institutional structures themselves, especially the values inherent to those structures in comparison with ethical values and values of justice, which they noisily and indubitably proclaim as their own as well.

In short, as an erstwhile journalist I call on media reporters and analysts to return to their professional ethical foundations, recognizing universal principles that humans naturally embrace. Two such principles stand out. First, we must recognize freedom as a necessary part of being human. For example, John Locke, in his second *Treatise of Government*, maintains that liberty is a fundamental natural right, and that “one who would take that away declares war on me.” Further, Jean Jacques Rousseau, in his *Discourse on Inequality*, Rousseau maintains that our nature is “intelligent, free,” and rational, with freedom being “the most noble of man’s faculties.” Again, von Humboldt, in his *Limits of State Action*, notes that “the true end of man...is the highest and most harmonious development of his powers to a complete and consistent whole. Freedom is the first and indispensable condition which [this] presupposes.”

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<http://www.slonet.org/~ied/>. In his *Killing Hope*, former State Department official and investigative journalist William Blum confirms an even larger number of direct deaths than that produced by Smith.

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Chapter 6

Unveiling Neoliberal Thought Control: Education

Overview

Educational relations are critical elements of our humanity and sociability. In a globalized neo-colonial world, an insidious and often debilitating crisis of knowledge construction and legitimation does not only continue to undermine African local and indigenous knowledge systems, but it also perpetuates a neo-colonial and oppressive socio-cultural science educational system that debilitates the social and cultural identity of the indigenous African student. In this vein, education becomes the frontline in class warfare by the corporate capitalist rich against the working class/peasant poor. It is therefore a key sector in the neoliberalization of social policy and the neoliberal political economy of states. The assault on public education, teachers, and their unions has been evolving over the past decades in Africa as part of the neoliberal restructuring of the global capitalist economy, but the current crisis of capitalism has accelerated this assault. This crisis is a moment of danger but also an opportunity, not only to defend public education, but also to reshape it as part of the struggle for a new social order based on African liberation.

Introduction

Access to education is not only a fundamental human right, but also a key factor in reducing poverty and child labor. If every child left school with basic reading skills, 171 million people could be lifted out of poverty. Education is also essential to the process of promoting democracy, peace, tolerance and human development around the world. Despite this, one in six adults is illiterate, and at least 72 million children-the majority of them girls-are not enrolled in school. Millions more are taught by untrained, underpaid teachers in overcrowded, unhealthy, poorly equipped classrooms.

Around 54 percent of out-of-school children are girls, yet studies have shown that women who are educated have greater earning potential, are less vulnerable to HIV infection, have fewer and healthier children, and are more likely to send their own children to school. Providing every mother in sub-Saharan Africa with a secondary education would save the lives of 1.8 million children. Seventy percent of the children not enrolled in school live in sub-Saharan Africa and South and West Asia. Hope is fading for the Millennium Development Goal of achieving universal education by 2015, as the global financial crisis has put poor African governments under pressure to cut public spending, and aid commitments from rich countries continue to fall short. Today, less than three percent of all humanitarian aid is devoted to education. Why?

Neoliberal Attack on Education

Neoliberal globalization, or what can be called the latest stage of predatory capitalism, is part of a broader project of restoring class power and consolidating the rapid concentration of capital. It is a political, economic and political project that constitutes an ideology, mode of governance, policy and form of public pedagogy. First, as an ideology, it construes profit-making as the essence of democracy, consuming as the only operable form of citizenship, and an irrational belief in the market to solve all problems and serve as a model for structuring all social relations. Second, as a mode of governance, it produces identities, subjects, and ways of life free of government regulations, driven by a survival of the fittest ethic, grounded in the idea of the free, possessive individual, and committed to the right of ruling groups and institutions to accrue wealth removed from matters of ethics and social costs. Third, as a policy and political project, neoliberalism is wedded to the privatization of public services, selling off of state functions, deregulation of finance and labor, elimination of the welfare state and unions, liberalization of trade in goods and capital investment, and the marketization and commodification of society.

Finally, as a form of public pedagogy and cultural politics, neoliberalism casts all dimensions of life in terms of market rationality.

One consequence is that neoliberalism legitimates a culture of cruelty and harsh competitiveness and wages a war against public values and those public spheres that contest the rule and ideology of capital. It saps the democratic foundation of solidarity, degrades collaboration, and tears up all forms of social obligation.

Under the regime of neoliberalism or what is also known as casino capitalism, education matters only to the extent that it promotes national prosperity and drives economic growth, innovation, and transformation. But there is more at stake here in turning the institutions of learning into an adjunct of the corporation. There is also an attempt to remove them as some of the few remaining institutions left in which dissent, critical dialogue, and social problems can be critically engaged. There is a sustained attempt on the part of the corporate elite, right wing fundamentalists, and others to disconnect the institutions from their role as a democratic public sphere capable of producing a critical formative culture and set of institutions in which complicated ideas can be engaged, authority challenged, power held accountable, and public intellectuals produced. Young people in Africa now recognize that the institutions of learning have become part of ponzi scheme designed to place on students an unconscionable amount of debt while subjecting them under the power of commanding financial institutions for years after they graduate. Under this economic model of subservience, there is no future for young people, there is no time to talk about advancing social justice, addressing social problems, promoting critical thinking, cultivating social responsibility, or engaging non-commodified values that might challenge the neoliberal world view.

Neoliberal Restructuring of Public Education in Africa

Over the last couple of decades a new global consensus about reshaping economies and schools has emerged among the politicians and the powerful of the world. Whereas in the past governments—preferably democratically elected—have assumed the responsibility to ensure that all children are educated, schools and universities are now regarded as a potential market. In these educational markets,

entrepreneurs set up schools and determine what is taught and how it is taught in order to make a profit. The assumption that schooling is a “public good” is under the most severe attack it has ever endured. Teacher trade unionists are grappling with the increasing privatization of education services, the introduction of business “quality control” measures into education, and the requirement that education produce the kind of minimally-trained and flexible workforce that corporations require to maximize their profits. Among scholars and global justice activists, these reforms being made to the economy and education are often called “neoliberal.” They are experienced almost universally by teachers, children, and parents.

There is an old saying that “a lie gets halfway round the world before the truth gets on its running shoes.” The lie making the running in schooling is that private corporations and entrepreneurs are much more able to make education work for the poor than teachers, communities, and their elected representatives in government. And when one listens to politicians and reads in the media about the benefits of bringing the private market and business methodologies into education, one can often feel as if teachers have hardly begun to tie the laces on their running shoes. The voices for privatization and neoliberalism have virtually the whole of the world’s media at their disposal to speed them on their way. Rebutting the “private good, public bad” propaganda is complicated by neoliberalism’s hijacking of ideals and terms borrowed from those who have spent their lives campaigning for education for all and opportunities for the poor and oppressed. Hearing news reports and politicians’ statements of lofty goals, one might think there is nothing closer to the hearts of the international financiers, accountants, and politicians than the needs of the poor. It is only when you look at the actual effects of the policies of world financial institutions like the International Monetary Fund (IMF) and World Bank on “developing” countries and their education systems that you realize that nothing could be further from the truth. The World Bank’s structural adjustment programs have destroyed perfectly adequate education systems in countries like Zambia and are threatening to do the same in many others. Neoliberal reports, websites, and corporate financial bulletins with titles like “Why school

fees are good for the poor,” show that when it serves their purpose, neoliberal gurus are quite willing to ditch the rhetoric of social justice and equality and lay bare the true face of their education policy.

Teachers are in a war being fought over the future of education, and though at times it might seem as though we are losing the war without firing a shot, we have a potentially powerful weapon in our hands -- our solidarity and organization into powerful teachers unions. Education International (EI), which brings the teaching unions of the world together, has over 29 million members. There is a lively global discourse about the need to wrest education back from the private entrepreneurs and corporations who want to turn it into a cash cow and a source of flexible labor. But there is very little discussion—from nongovernmental organizations that do advocacy work (NGOs), from academics, and even from teaching unions themselves—of the role that teacher unions can and must play in reversing these policies.

Public service unions, and in particular education unions, do have power. And yet it often feels as though the tremendous potential force that is contained in those 29 million teachers organized into trade unions is not being used. Capitalism has become global and its strategy and propaganda have a global reach and logic. Yet we in the trade union movement, despite some traditions of international solidarity, are a long way from achieving an equivalent global coherence. And even on a national level trade union leaders are often too ready to accept the rhetoric of politicians as the reality and adapt accordingly, instead of standing up boldly and opposing them -- if necessary through job action.

Ironically, the potential power of teachers and our unions to derail neoliberal reforms like privatization is often more apparent to our opponents than it is to teachers and union leadership. Teacher unions are identified in one World Bank report as the key threat to global prosperity. In the face of this kind of rhetoric and in the context of the global assault by private capital on state education services, how are the unions responding, and how should they work to defend services for the poor? Is there any indication that teacher unions and their leaderships have the will to face up to this situation and reverse it?

The market mechanisms and business management discourses and practices that are saturating public education in the United States are all too familiar to teachers and students worldwide. Globally, nations are restructuring their education systems for “human capital” development to prepare students for new types of work and labor relations (Rizvi and Lingard 2010). This policy agenda has been aggressively pushed by transnational organizations such as the World Bank, International Monetary Fund, and Organization for Economic Cooperation and Development. Objectives and performance targets are the order of the day, and testing is a prominent mechanism to steer curriculum and instruction to meet these goals efficiently and effectively.

Neoliberalization of public education is also an ideological project, as Margaret Thatcher famously said, to “change the soul,” redefining the purpose of education and what it means to teach, learn, and participate in schooling. Tensions between democratic purposes of education and education to serve the needs of the workforce are longstanding. But in the neoliberal framework, teaching is driven by standardized tests and performance outcomes; principals are managers, and school superintendents are CEOs; and learning equals performance on the tests with teachers, students, and parents held responsible for “failure.” Education, which is properly seen as a public good, is being converted into a private good, an investment one makes in one’s child or oneself to “add value” in order better to compete in the labor market. It is no longer seen as part of the larger end of promoting individual and social development, but is merely the means to rise above others. Democratic participation in local schools is rearticulated to individual “empowerment” of education consumers—as parents compete for slots in an array of charter and specialty schools.

Thatcherite budget-cutting exercise

The two developments are not unrelated. Harvard recently asked its alumni to volunteer their time as “online mentors” and “discussion group managers” for an online course. Fewer professors and fewer qualified - or even paid - teaching assistants will be required in higher

education's New Order. Lost amid the fetishisation of information technology and the pathos of the struggle over proper working conditions for adjunct faculty is the deeper crisis of the academic profession occasioned by neoliberalism. This crisis is connected to the economics of higher education but it is not primarily about that. The neoliberal sacking of the universities runs much deeper than tuition fee hikes and budget cuts.

*The professions are in part defined by the fact that they are self-governing and self-regulating. For many years now, the professoriate has not only been ceding power to a neoliberal managerial class, but has in many cases been actively collaborating with it.

As a dose of shock capitalism, the 2008 financial crisis accelerated processes already well underway. In successive waves, the crisis has hit each pillar of the American university system. The initial stock market crash blasted the endowments of the prestige private universities. Before long, neoliberal ideologues and their disastrous austerity policies undermined state and eventually federal funding for universities and their research.

Tuition soared and students turned even more to debt financing. Now that bubble is bursting and hitting all the institutions of higher education that depend on tuition. Students are increasingly unwilling to take on massive debt for jobs they have little confidence of getting. The upshot is to soften the resistance of faculty to change, in part by making people fear for their jobs but mostly by creating a generalised sense of crisis. It becomes all the easier for some academic "leaders" to be drawn up into the recurrent task of "reinventing" the university.

Here is the intersection with neoliberal management culture. Neoliberal managers thrive not by bringing in new resources—since austerity is always the order of the day—but by constantly rearranging the deck chairs. Each manager seeks to reorganise and restructure in order to leave his or her mark. They depart for the next lucrative job before the ship goes under. One consequence is the mania for mergers of departments and faculties in the US and the UK. In both the university and corporate world, mergers are not only demoralising for staff, but they also break up solidarities and destroy traditions and make staff much more amenable to control from above.

Such projects have little to do with academic excellence or even purposes, and often are self-defeating as the managers and the quislings among the professoriate who assist them have little idea what they are doing. One of the only things the University of Birmingham was ever known for in the wider world was its Centre for Contemporary Cultural Studies. In 2002, the Centre was shut down by fiat in an act of vandalism described as “restructuring”. The justification given for this was yet another neoliberal exercise then known as the Research Assessment Exercise, or RAE.

In US terms, post-tenure review is an imperfect analogy for the salutary and depressing tale of the RAE. Invented by Margaret Thatcher’s government, the basic idea is to rank all the departments in any one discipline and channel funding to the “best” departments, while cutting funding to the rest. The RAE was an assault on the basic idea of a university - the universe of knowledge - since universities would lose poor performing departments. In neoliberal speak, this may sound very sensible. But imagine what happens to, say, physics and biology students, when, as the University of Exeter did, the chemistry department is shut down. Who will teach them chemistry?

More to the point, how do you judge which is “best”? For this, the RAE needed the willing and active collaboration of the professoriate. When I first held a UK academic post in the relatively early days of the RAE in the late 1990s, academics talked about it as if it were just some form they had to fill out, an annoying bureaucratic exercise that would not really affect us. Others, academic “leaders”, saw it as an opportunity to do down their colleagues in other universities and channel funds to their own departments.

Neoliberal assault on Universities

In this way, the professors themselves helped to administer and legitimate a Thatcherite budget-cutting exercise. Worse, they participated in what they know to be a fiction: that you can rank scholarly research like you can restaurants or hotels so as to determine which departments have the “best” faculty. Little more than a decade later - and now known as the Research Excellence Framework (REF) -

this five-yearly exercise completely dominates UK academic life. It determines hiring patterns, career progression, and status and duties within departments. It organises the research projects of individual scholars so as to meet arbitrary deadlines. It has created space for a whole class of paid consultants who rank scholarship and assist in putting together REF returns.

UK academics regularly talk about each other's work in terms of whether this or that book or article is "three star" or "four star". Again, for those attuned to neoliberal ways of thinking, this may appear natural. But remember that the entire point of university research is conversation and contestation over what is true and right. In the natural sciences, as in the social sciences and humanities, one person's truth is another person's tosh, and valid knowledge emerges from the clash of many different perspectives. Somehow, UK professors have become intimately bound up in administering and legitimating a government-run exercise that now shapes more of university life than they themselves do. They have actively ceded their power. US faculty need to keep this travesty in mind.

Something as apparently innocuous as an accreditation agency demanding that syllabi be written in a particular format, or majors justified in a particular way, can wind up empowering university management to intimately regulate teaching. A meaningless buzzword in the mouth of a dean, such as "new majority student", might in practice help legitimate the hiring of less qualified faculty. After all, if "teacher ownership of content" is old fashioned, why do you need to hire a professor who can create his or her own course?

The bottom line of the neoliberal assault on the universities is the increasing power of management and the undermining of faculty self-governance. The real story behind MOOCs may be the ways in which they assist management restructuring efforts of core university practices, under the smiley-faced banner of "open access" and assisted in some cases by their "superstar", camera-ready professors. Meanwhile, all those adjunct faculty are far more subject to managerial control and regulation than are tenured professors. Aside from their low cost, that is one of the principal reasons why they are so attractive to university managers.

Neoliberalism, Education and Politics of Capital

In pursuit of African development, global financial institutions like the World Bank (WB) and the International Monetary Fund (IMF) have been pushing African countries to conform to neoliberal principles since the 80s. In the form of Structural Adjustment Programmes (SAPs), these policies intended to reduce poverty and promote economic growth. The grim reality today, however, is that Sub-Saharan Africa, henceforth referred to as Africa, is poorer than it was in 1980; More people are living under the poverty line of 1\$ a day than during the 1980s. In more daring monetary estimations, it has even been argued that trade liberalization has cost Africa at least \$272 billion.

The neo-liberal approach to development has its roots in neoclassical economic theory. It seeks to promote economic growth by reducing the role of the state in the economy and by allowing market forces to determine production, distribution and the access to goods and services. The global institutions that are associated with this laissez-faire approach are the International Monetary Fund (IMF), the World Bank (WB) and the World Trade Organization (WTO). From the neo-liberal economic viewpoint, many African countries heavily overspent on social services, such as education, health and basic services and could not reach desired levels of economic growth because oversubsidized state enterprises. SAPs, therefore, were meant to encourage exportable goods and implement institutional reforms, such as liberalization of international trade and investment, restrictive macroeconomic policy, privatization and the deregulation of trade. As a result, socioeconomic and spatial inequalities would gradually disappear.

Neoliberal Education and the Politics of Capital

The instruments of imparting education extend beyond the classical notions of classroom. It is, however, not enough to realize that the process of educating a human being transcends the limited universe of whatever form of formalized institution of teaching-

learning transactions and is finally linked to the approach that one adopts to comprehend the processes of knowledge formation. This process of education is also closely linked to the desires of the dominant social structures to limit one's view of the complex processes of knowledge creation. A limited and fragmented view of the world not only hides the systemic contradictions but also makes possible a process of regimentation. For instance, one can never fully appreciate the fact that the elite neoliberalists of Africa—not unlike the entrenched hegemonic class interests in any social order—need to segment the processes of education so that it in turn sustains the segmentation of the social order.

This is possible only when one overcomes one's ideological myopia to grasp the link between the processes of knowledge production in a society and its larger logic of production. It is this myopia that compels us to explain the teacher-taught relationship through the undemocratic metaphor of teacher as god. It is the intrinsic uncritical appeal of such a metaphor that leads us even today to claim that the teacher reveals the path to the kingdom of god. And it is this belief in the existence of a particular kind of system that celebrates the existence of gods—which bases itself on uncriticality and opposition to dissent, and concomitant subordination to spiritual and/or temporal authorities—that is responsible for failures to understand the expression of the segmentation of society along class lines through segmentation of education. And this holds true as much for ancient Africa, as for the continent today, wherein a vision of understanding educational processes as going beyond classroom and institutionalized structures is seldom encouraged. Even if it is done the connections between the mode of production and educational systems is rarely explored.

This further leads to the absence of an analysis that would try to understand the impact of neoliberalism on education and its implications for the working class. Even the most progressive voices/analyses of the so-called education sector (such divisions are in themselves yet another attempt to fragment the world view) fail to overcome these limitations. The problem areas that, as a consequence, emerge with regard to understanding the processes of education and knowledge creation are the following:

1. There is a tendency towards generating a *dehistoricised* understanding, i.e., denying conjuncturality of different stages of development of capital and the nature of educational discourse and conditions on the ground.

2. There exists a *disjunction* in the understanding of education and the comprehension of social structures/ relations.

3. Education, therefore, is not seen as a battlefield where a part of the everyday class struggles is waged. As a result, it is *discounted* as a site of accentuating class struggle.

4. There is a serious *absence* of reflection on the issue by those expected to seek alternative options.

5. Because of the above-mentioned factors education becomes a classroom-based affair shorn of class politics and outside the ambit of labor-capital conflict.

6. Consequently, education acquires a kind of autonomy and an agency of its own and, therefore, none of the educational alternatives in Africa have managed to establish themselves as real working class counter-narratives to the capital-driven discourse and practice of education.

7. Due to these drawbacks the notion of empowerment, which cannot be seen as something outside the ambit of class struggle, within the educational field becomes problematic.

A comprehensive understanding of the developments taking place today with respect to education and knowledge-formation at large can emerge only if the above-mentioned factors are taken into account. It is only then that one can understand how neoliberalism does not only affect the institutions, tooling them to its own end, but also radically alters the way even welfarist, social-democratic forces understand education. Such an approach that enables us to see education as a terrain of class struggle would, for instance, reveal rather clearly how and why capital must alter the classical idea of a classroom in its neoliberal epoch. This conjuncture necessitates not only the emergence of schools without teachers/instructors, but ‘places’ where teaching-learning happens *online* and even through mobile phones or satellite television. In other words, when the state offers alternatives such as online education; or when private enterprises tell us through their

advertisements that it does not matter if you miss classes because there is a virtual classroom; or when the new symbol of humane, concerned and conscientious Africa tells you that education is possible even through satellite channels there is an underlying commonality in their visions.

What they are saying is that equality of access to education is possible even within neoliberal capitalism. They are suggesting that access need not always be seen in direct person-to-person or person-to-institution contact, and that it can be impersonalized. The sum and summary of what they are suggesting is this: why do we always need to locate the question of equality within a framework of class relations or consider the state as the provider of educational means and facilities. The point they are making is that profiteering or mindless urge to accumulate surpluses can go hand in hand with the principle of equality and justice. In a nutshell, it is a denial of conjunctureality of capital-labor contradiction with the issue of knowledge formation and dissemination. This denial appears, in not so stark and unabashed a manner, when the progressive voices and forces uncritically get nostalgic about reviving the lost world of welfarism. In other words, they, unknowingly or otherwise, adopt the approach of ensuring *equality* or *justice* outside the ambit of class struggle, and thus fail to envisage this absolutely desirable quest of theirs, which is doubtless urgent, in terms of problematizing the intentionality of capital at different moments in its history.

Emergence of Neoliberal Order

In contemporary African history one can distinguish three critical periods concerning education. The first is the foundation of a colonial school system, dominated by the idea of the “conquest of natives’ souls”, after an initial military conquest. The second important period is the turning point towards massification and the idea of meritocracy that took place after World War II. The most recent critical period is the ongoing “structural adjustment” that is producing a segregated school system, made up at one end by a primary school system (a school for the people) followed by a secondary and higher education

(affordable for the elite). Whereas the WB advocates “revitalization” and “selective expansion” (World Bank, 1988), the real question is how education systems will recover, since this structural adjustment considerably jeopardizes the relations between school and society.

Through political decisions—in the North mostly willed decisions, in the South decisions forced on them by monetary institutions in the North—African governments have dismantled national controls with capital movements, profits and foreign investments. By this willed or enforced political choice—the consequences of which has seldom been spelled out to the electorates—political leaders have removed those legal and administrative tools which might have protected local economic and social systems. Directed by Western interests the World Bank and the International Monetary Fund have used and continue to use their creditor powers to pressure the poor debtor countries of Africa to turn their own battered economies into the same kind of unrestricted markets. Last but not the least the World Trade Organization (WTO) has become a vehicle for assuring that practically the whole world is opened for the unhindered operations of private capital. This ideology, which one can here term globalization, leads to a democratic deficit, bastardization of education, human insecurity and increases income differences and forces new groups into poverty in Africa.

The logic of neoliberalism does not remain in the economic sphere alone. Instead, it enters and transforms politics and hence—since the events in Chile in 1973—creates global injustice. Finally, it has arrived and made itself the dominant paradigm of everyday life in Africa. It is unabashedly shrewd, callous and calculating. It uses the instruments of consensus as well as coercion with utmost dexterity, becomes part of our individuality and has all possible designs at its disposal to alienate us from our collective working class consciousness in such a way that for some time the battlefield can become quite hazy with the mirage that the system offers all kinds of possibilities to resolve our problems and all we need to do is work hard and give our lives to it. This is the age of neoliberalism that represents the tyranny of capital in the most organized and atrocious manner and India’s economic and political scenario for last one-and-a-half decades represent this tyranny. It is a

stage or a moment in capital accumulation that leads to an unprecedented expansion of capital by bringing into the commodified zones even aspects which have been considered as non-commodified such as education and health during the pre-neoliberal phase of capitalism. Simultaneously it uses its aggression to push further its aim without any hitch.

This phase of capitalism is especially intractable for those committed to resisting the rule of capital. In fact, there has been a neoliberal consensus evolving across diverse political formations and amply clear in the situation post-1990. The rhetoric of social justice, demands for equity built on the premise of identitarian politics as well as the hollowness of a market driven purportedly by justice and equity have been exposed. What, then, remains as the subject of concern for all of us is: (1) to comprehend the logic and strategy of capital in the current conjuncture; (2) inquire into the way this is manifest in the arena of education; and (3) evolve ways of resisting this onslaught of capital. Towards achieving these tasks this chapter tries to understand the idea of neoliberalism and what it does.

To say that there has been a marked decline in ‘social sector’ spending by the states in Africa would be stating the obvious. It would, however, be erroneous to reiterate that decline without analyzing it as a consequence of the persistent battle between capital and labor. The mutilations in the education system are no more than embodiments of this conflict in the arena of state, economy and polity. The state becomes an agent of capital assisting in its expansion and, whenever/wherever necessary, repression—physical as well as intellectual. In other words, apart from the mere physicality of the neoliberal impact there are very dangerous and more powerful mental and intellectual instruments working overtime to consolidate the already gained grounds for capital or creating possibilities for newer grounds to be captured.

This character of the neoliberal phase of capital accumulation emerges out of the specific historical moment in which it was born. It was the crisis of accumulation in “embedded liberalism” that paved way for this new system to emerge after the option of deepening “state control and regulation of the economy through corporatist strategies”

(Harvey, 2007, p.12) became problematic because the Left, which had forwarded this idea, “failed to go much beyond traditional social democratic and corporatist solutions and these had by the mid-1970s proven inconsistent with the requirements of capital accumulation” (Harvey, 2007, p.13). Obviously, the increasing influence of the opposition to neoliberalism was also becoming problematic for the unhindered expansion of capital. Trade unionism as well as other forms of resistance to the rule of capital did pose a substantial challenge to the politics of the ruling class. The resistance in these two different phases also becomes a matter of relative comparison as we are confronted with moments of declining resistance to the politics of capital in the neoliberal era. It is this imperative of curtailing the challenges to capital accumulation that compelled neoliberalism to become a political ideology as well.

Hence, we find neoliberalism giving “priority to capital as money rather than capital as production” and by doing so it allows “policies to be adopted which clear the decks, removing subsidies and protection, and freeing up capital from fixed positions” intensifying the pace of restructuring. “It allows capital to regain mobility, dissolving the spatial and institutional rigidities in which it had become encased” (Gamble, 2001, pp.131-32). State, which was welfarist, and had undertaken campaigns of nationalization and promised to take care of the health and educational concerns of its people started saying that it was not possible for it to bear the burden of educating every child or taking care of the health needs of its citizens. Consequently, it comes up with analysis that would suit its market logic. For instance, it argues, in context of secondary schools, that “the doubling of the share of private unaided schools indicates that parents are willing to pay for education that is perceived to be of good quality” (GOI, 2008, p. 15). And the extension of this argument results in involving more and more private players in running the education system as a business.

Consequently, the government plans to open model schools that “will be managed and run by involving corporates, philanthropic foundations, endowments, educational trusts, and reputed private providers” (GOI, 2008, p.17). This tendency to open up new avenues or withdraw from certain roles and responsibilities that till now were

strictly considered the state's domain has been intrinsic to the character of the neoliberal state. "The contribution of neoliberalism to the restructuring of capitalism was, therefore, to provide a means by which capital could begin to disengage from many of the positions and commitments which had been taken up during the Keynesian era"(Gamble, 2001, p.132).

Capital's Global Agenda for Education

The weight of evidence in Sub-Saharan Africa over the last decades suggests that globalization has not led to increased educational equity between countries in the region or even within the countries. Moreover, it has not drastically reformed pedagogy or increased student learning, and has not provided an influx of resources sufficient to create fundamental education expansion or improvement (Carnoy & Rhoten, 2002; Cheru, 2002). The reasons for this are many and varied, but three of the most striking explanations are the history of misapplied and poorly designed programs implemented in Sub-Saharan Africa by inter- and supranational organizations; the neocolonialist policies promulgated by globalization and its advocates; and the gradual decline of the importance placed on indigenous and local knowledge.

The endurance of No Child Left Behind (NCLB) is a dismal indication of the level of disorientation about education's role in a democracy and the contradiction of privatizing this essential civic function. Underlying the bipartisan endorsement of "school reform" is a shared ideological support for a neoliberal global capitalist economy and neoliberal view of education. In both industrialized and developing nations, neoliberal reforms are promoted as rationalizing and equalizing delivery of social services. Even the World Bank demands curricular and structural changes in education when it provides loans as outlined in its draft "World Development Report 2004: Making Services Work for Poor People," which describes education's purpose solely in terms of preparing workers for jobs in a global economy where capitalism can move jobs wherever it wishes—that is, to countries where profits trump working conditions and salaries. The

draft was later modified in negotiations with governments and non-governmental organizations, but the original is a declaration of war, especially on public education and independent teachers' unions.

Public education remains the largest piece of public expenditure, highly unionized and not yet privatized. The draft report identifies unions, especially teachers unions, as one of the greatest threats to global prosperity, arguing that they have "captured governments," holding poor people hostage to demands for more pay and suggests that teachers should be fired wholesale when they strike or resist demands for reduced pay. The report also calls for privatizing services, greatly reducing public funding, devolving control of schools to neighborhoods, and increasing user fees. The World Bank has implemented many elements of the draft report by making loans and aid contingent upon "restructuring," which is to say, destroying public funding and control of educational systems. The results, writes University of Buenos Aires Professor Adriana Puiggrós, have been devastating to literacy rates and the Bank's promise of equality (indymedia.org.uk/en/regions/cambridge/2004/02/286118.html).

A key element of the program is limiting access to higher education through the imposition of higher tuition and reduced government support to institutions and individual students. Meanwhile, lower education is charged only with preparing students for jobs requiring basic skills, which the multinationals aim to move from one country to another. Schools that train workers for jobs requiring limited literacy is all we can realistically expect for poor people in poor countries, says the report, and they do not require well-educated or skilled teachers. Teachers with significant education are a liability because they are costly to employ and the largest expense of any school system, the report argues, whereas minimally educated workers require only teachers who are themselves minimally educated. Most of NCLB's elements for reorganizing education in the U.S. are straight out of the World Bank draft report: Charter schools and vouchers to be used in private schools fragment oversight and control; testing requirements and increasingly punitive measures for low scores pressure schools to limit what is taught so that the tests become the curriculum; privatization of school services, such as tutoring and professional

development for teachers tied to raising test scores, undercuts union influence and membership.

The Real Problem

Neoliberalism functions on the premise that the “human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade” (Harvey, 2007, p.2). It uses the principle of *freedom* and *justice* but as concepts that apply to individuals treating them as autonomous beings outside the social relations within which they are embedded. Hence, neoliberalism looks at the role of the state as a body that creates and preserves institutional frameworks that ensure this project of capital. The state has to not only “guarantee, for example, the quality and integrity of money” but also set up structures of coercion “to secure private property rights and to guarantee, by force if need be, the proper functioning of markets” (Harvey, 2007, p. 02).

State intervention in management and regulation of market becomes negligible. It only has to facilitate its functioning but not intervene in what it does or wants to do. The quintessential example of this is found in the two simultaneous developments in India: (1) the state expenditure on education has been on the decline and the share of private sector in it has been on the rise because capital thinks that the education ‘sector’ needs to be liberated from the clutches of statist structures and principles; and (2) over ...have been spent on organization of a game show (Commonwealth Games) with which neither the Africans relate nor did they want it because for them priorities could well have been health and education. It is happening because the post-recession Indian industry needs as many shows as possible like this one. These two developments show how the state creates opportunities for market and for this it withdraws and creates space for private capital in certain areas whereas it subsidizes the expansion of private capital at the cost of its masses. However, it chooses not to spend on education and health to make them accessible to everyone.

It has been argued that liberalism had made life suffocating for people since it ceased to be the hope of African people and had rather become ‘the ideology of a class: the bourgeoisie’. The state under bourgeoisie had been transformed into ‘into a closed power’ (Burdeau quoted in Mongardini, 1980, p. 318). In other words, under liberalism, state, rather than resolving the tension between the individual and the state, had made the latter “the natural enemy of liberty” (Mongardini, 1980, p. 318). Neoliberalism is seen as defending the social rights of individuals. It “seems to begin as a civil reaction against the invasion of politics and bureaucratic machinery, of little groups against large groups, the private against the public.

It is, however, from another point of view also an attempt to reestablish at ground level that relationship of political representation which has been broken and to recreate consensus on a new ideological platform which restores certainty to individual and social action” (Mongardini, 1980, p. 321). Hence, what one finds is that the ideals of human dignity and individual freedom have become the driving ideology, as the slogan, of neoliberal thought and “in so doing they chose wisely, for these are indeed compelling and seductive ideals. These values, they held, were threatened not only by fascism, dictatorships, and communism, but by all forms of state intervention that substituted collective judgments for those of individuals free to choose” (Harvey, 2007, p.5). And obviously, the agency to ensure this freedom and dignity has always been the market for neoliberal ideologues and states.

The idea that neoliberalism is dedicated to ensuring the well-being of human beings, through ensuring equity and justice has been instilled into African common sense. It is done through a variety of ways:

(1). There are arguments and theories of development, which never look at the political-economic aspects of development and, therefore, create a well-thought-out disjunction between, for instance, market, state and development. They tell us how equity and justice are attainable even within neoliberalism without transforming fundamentally the social relations that give rise to these inequities. Herrera arguing against the development economists points out how the softer development economists get away as critics of the system,

which, in fact, “is a serious misunderstanding, because neither of them recommends rebuilding the welfare state, modifying the ownership structure of capital in favor of the public sector, applying a policy of income redistribution, or promoting public services—much less arguing in favor of state-led planned development. In spite of a few nuances or subtleties, their arguments always imply that the state should fully submit to the dominant forces of global capital and help its capital accumulation” (Herrera, 2006). Citing the example of Stiglitz, Herrera argues how during Stiglitz’s regime as the chief economist of the World Bank, the international financial institution published its report on “Knowledge for Development” in 1998-99, which talked about “cooperation” with the private sector “in the fields of information and telecommunications: privatization, dismantlement of public research (even the transformation of research institutes into joint stock companies), and marketization of education (even by helping the poor to pay for their studies)” (Herrera, 2006). Amartya Sen, on the other hand, locates, in an occulted manner, the social and political rights within the ambit of market. “Without a liberal-style market, Sen seems to say, none of the other freedoms can work.” (Harvey, 2007, p. 184)

(2). Competition has been made the guiding ethics of everyday life. This ethics is not only based on the farcical idea that everyone has the equal opportunity to participate and perform in the competition but it also generates a desire among individuals to be part of this system, which, apparently, demonstrates the *possibility of equal probability* to achieve the goal. This sense of competition, which wrongly presumes equal access to required information and which ignores the differential material conditions that go into the formation of an individual or group, though being essentially misplaced, generates a sense of constant involvement within the system. This not only complicates, and therefore delays, the task of mobilization along class lines but also gradually fosters a misplaced sense of fidelity towards the system. While the ethics of competition cultivates fantasies, aspirations and generates possibilities to achieve them, it also encourages individuation and, therefore, diminishes sense of solidarity. This ethics becomes a

part of us through the pedagogical experiences of everyday life under the rule of capital.

(3). There is a vast network of ideological apparatuses, which are at work to legitimize the neoliberal system as well as to garner support for it. While a great deal has been written about how media becomes an effective instrument of propaganda there are misrepresented and fallacious analyses carried out by intellectuals in favor of the neoliberal order. One very obvious example is the work of James Tooley, who argues, following Oxfam Education Report, that “private schools are emerging for the poor in a range of developing countries” (Tooley, 2004, p.06). While he quite intentionally ignores the same Oxfam Report when it also says that “while private schools are filling part of the space left as a result of the collapse of State provision, their potential to facilitate more rapid progress towards universal basic education has been exaggerated. They are unable to address the underlying problems facing poor households, not least because their users must be able to pay, which the parents of most children who are out of school often cannot do” (Watkins, 2000, p.230). Not only this but the whole argument forwarded by likes of Tooley, based on ‘evidence’ from India and elsewhere that “there is considerable evidence available...that suggests that private education is more beneficial to the poor than the government alternative, and hence that parents are making rational decisions by sending their children to private schools” is misplaced and out of context. It not only refuses to analyse the basic and fundamental causation behind the flourishing of sub-standard (or otherwise) private schools across India but also forwards an argument to encourage privatization of education when it says that “the making of profits is an important motivation for entrepreneurs to enter the education market, and hence it may have some desirable impact, leading to the provision of schools that poor parents prefer to the government alternative. Without the profit motive, this suggests that there would be fewer private schools available, hence the choices available to poor parents would be severely limited” (Tooley, 2004, p.16).

They take the notions of competition, performance and achievement as *a priori* categories and begin their studies from those

already given premises (Tooley, 2004; Tooley and Dixon, 2005). In that sense, their whole argument and research is designed to serve the system that is furthering that particular kind of education system, which rejects critical insight as an essential constituent of educational process or which trains students to dream of alternatives. Apart from such intellectuals working overtime to generate sufficient grounds for private capital to expand, the state has also been quite ‘sensitive’ to the needs and demands of private capital. Knowledge Commission, a body of recognized intellectuals, for instance, very clearly points towards the need to recognize the role played by private educational institutions and suggests that “those providing quality education should be encouraged, especially when they cater to less privileged children”. It also suggests that the government bureaucracy should not harass them and “it is necessary to simplify the rules and reduce the multiplicity of clearances required for private schools....” (GOI, 2009, p.48). These are mechanisms to generate consensus among masses in favor of the restructuring of the economy. And these processes, as Harvey Notes, have occurred globally:

“So how, then, was sufficient popular consent generated to legitimize the neoliberal turn? The channels through which this was done were diverse. Powerful ideological influences circulated through the corporations, the media, and the numerous institutions that constitute civil society—such as the universities, schools, churches, and professional associations. The ‘long march’ of neoliberal ideas through these institutions that Hayek had envisaged back in 1947, the organization of think-tanks (with corporate backing and funding), the capture of certain segments of the media, and the conversion of many intellectuals to neoliberal ways of thinking, created a climate of opinion in support of neoliberalism as the exclusive guarantor of freedom. These movements were later consolidated through the capture of political parties and, ultimately, state power” (Harvey, 2007, p.40).

(4) Neoliberalism weaves a world of fantasy around each individual as well as collectivities of achievable possibilities, thereby confining their imaginations to function within the operational regime of capital. The delusional mind becomes unaware of the labor-capital dialectic. For it the possibility of becoming one day what some people around

him/her are or owning what they own has a blinding effect. That individual herself is located within that labor-capital dialectic never appears so to her. Capitalism, in general, through breaching the possibilities of solidarity among the working class creates the expansion and sustenance of neoliberalism possible. What adds to this process is simultaneity of all of the above-mentioned socio-economic and political processes.

Education and Ascendancy of Neoliberalism

Neoliberalism, in general, is firmly entrenched today in Africa and with the tide of resistance getting lower at this moment its virulent form and tenor is visible in nearly every sector. The education sector is one of the ideal types, which demonstrates how the neoliberal assault works. The nature of changes, which have been brought about over the past few years and with particular vigor during the past one year have shown how neoliberal capital operates. The above-cited four factors that generate consensus and common sense about neoliberalism have been quite obviously active in the African context. A host of committees and commissions have been set up to establish how there cannot be any *possible alternative to capitalism* and, therefore, it is better to work within it. In terms of operationalization, the states have been formulating policies that institutionalized discrimination – as different kinds of schools and colleges are established in accordance with the differential purchasing and socio-political power of the customers – that draws in more and more private funding in education sector and which denies equality of access to educational facilities of similar kind to everyone. The best example of such efforts to create a consensus in favor of neoliberalism can be found in the numerous education Committee reports, which have sanctioned everything that the neoliberal capital would like to put into place for its expansion. In other words, drastic changes in the form and content of the so-called education system are taking place due to the onset of the neoliberal stage.

A close examination of this adjustment policy in the field of education also reveals the priorities of the WB in its dealings with the

African continent, perceived as the “Deep South” of the globalized world. In Africa, more than elsewhere, the common denominator of measures advocated by the WB is allegiance to ‘instrumental rationality’. In other words, education is never considered as a sufficient objective in itself, but as a basis for realizing a more or less hidden agenda. The influence of the WB in shaping educational policies is obvious in most Third World countries, not only in Africa. For instance in Guatemala the education reform promoted in 1996 is meant to reduce the strength of politicized groups at the national scale, such as teachers’ trades unions, through the advocacy of decentralization and local participation. This reform is in keeping with a more general ‘peace’ agenda prevailing after the civil war of the eighties (Mulot, 2001).

The top priority for Africa at the end of the eighties was the quantitative development of primary education. This is still the case nowadays since it was proclaimed the official creed - “fundamental education” or “education for all” - at the Jomtien conference in 1990, subsequently reaffirmed at the Dakar meeting in 2000. What is characteristic of instrumental rationality applied by the WB is its reference to a rate of return at primary school level, which is said to be better than the other educational rates of return. One might argue that focusing on the primary level was better for democratic reasons as it seems to respond to the basic needs of the population, but this was not put forward as the main reason. Indeed, the democratic argument - the WB prefers to talk of ‘equity’ - is instead used to silence both students and teachers, whose vociferous social groups are the next targets of educational adjustment.

But, from the sociopolitical point of view, this Malthusian attitude towards the development of secondary and higher education smacks of the paternalistic policy of former colonial authorities. The Belgian colonial attitude to educational issues with the essential role of the ‘Pères blancs’ was a case in point: before the fifties, the civil and religious authorities had chosen to limit drastically secondary school opportunities (compared to the development of primary schools) so that the intellectual elite has remained virtual during this decade just before independence (cf. Van Bilsen, 1954, quoted by : Léon, 1991 :

300). This over insistence on low level education seems destined to further shackle Africa in its subordinate role within the international division of knowledge.

Other aspects of conceptualizing African educational policy must also be subjected to scrutiny. One of these is revealed by the discourse applied both to teachers' salaries and scholarships. Adopting a historical perspective may be essential here to clarify the issue of an alleged welfare State in education. We also need to distinguish between these two costs in term of "adjustment". Primary school teachers are often portrayed as privileged, well-paid employees. One favored way of doing this is by comparing their average salary with national per capita income (Mingat & Suchaud : 2000).

When this argument cannot be sustained because the wage level is far too low, as it is the case in Tanzania, the WB is able to finance an inquiry whose main result confirms its view that the teachers are underworked (Samoff, 1994 : 160-163). Nevertheless, it is not difficult to show that, compared to their situation in the eighties or the nineties, where they made up the core of the rising indigenous elite, they have been largely superseded by other groups (Niane, 1992). Moreover, they have suffered diminishing real wages during the last two or three decades (Orivel, 1995 : 83). How long can this trend continue ? For the cynical economists, and they are legion, the continuing overproduction of jobless students can bring down the average teachers' wage level even further. However, perhaps those cynical economists should take into account what is said in *Exit Voice and Loyalty* (Hirschmann, 1972) and consider the internal and external "brain drain" in African countries : that way they could understand the limits of theorization within a single model, *all other things being equal*.

The WB started to review the brain drain phenomenon among university teachers (WB, 1995). But, this new reflection remains inconsistent, because it seems - or pretends - to ignore that making higher level teachers' wages more attractive will increase the claims of other teachers at secondary and primary levels. Another sign of eventual change could be the admission by World Bank experts in a recent report, that "to improve the quality of teaching in Africa, teachers' salaries must be paid on time and must cover the cost of

living to allow teachers to commit themselves full time to teaching”. (Verspoor & al, 2001 : 38).

This is the case with the scholarship system which is often presented as a vestige of a Welfare state, which with the massification of the school system has apparently become unaffordable for an underdeveloped country. It may seem reasonable at first sight. But this antinomial vision cannot be justified historically. If we take the example of French-speaking institutions, we can see that scholarship and boarding systems were first introduced at primary level (in the “écoles régionales”), then at secondary level (in the “collèges” and the “lycées”) and only finally into higher education. Nowadays, all this has disappeared or is about to disappear, if we consider the few grants and aids for students still available at the University. Within just a few decades this mechanism has, in fact, led to a “bourgeoisie du diplôme” (Kasongo Ngoy, 1989). Chosen from the happy few, its members can close the gates of meritocracy behind them, in a context of a “sauve qui peut” era (Boyle, 1999). This is yet another aspect of the constitution of a “State bourgeoisie “ in Africa that has only attracted insufficient attention. Ever since the end of the eighties, there has been rapid development in a private sector destined to safeguard the privileges previously obtained freely or for a nominal sum only. The crisis of the State and the avowed policy of the World Bank have together accelerated the growth of these private institutions, especially at secondary level and more recently in higher education. At the highest level, foreign credentials are considered as being better than the local brand, to such an extent that now we can see institutions from the North launching educational subsidiaries in Africa.

For instance, Suffolk University in Boston launched its ‘Dakar campus’. It was not only intended for African students who wanted to go for a MBA but also for their American counterparts, who could register for a study abroad semester. The advertising copy written by the academic director of the campus illustrates the conceptual atmosphere of this encounter between the West and the South : “Suffolk University Dakar Campus provides the opportunity for the exchange of unique and invaluable perspectives. Among other things, the American side has to contribute practical techniques and

approaches which may help African societies to increase their productivity. In exchange, the African side has to offer, among other things, insights on the human mind, heart, and soul from being reminded of which many Americans may benefit.” (www.Suffolk.edu/international/Dakar/home.html).

As former Senegalese president Senghor said (and was strongly criticized by the opponents of his ‘negritude’) : “L’émotion est nègre et la raison est hellène.” The existence of this American campus in Dakar has to be related with the development of private higher institutions since the end of the nineties and also with the down grading of Francophone credentials among the Senegalese elite (Niane, in : Lebeau & Ogunsanya, 2000 : 312-313). Meanwhile, at the bottom of the education system, children from popular suburbs have to attend overcrowded or part-time classrooms. Since 1986 in Senegal, the WB has imposed the development of a “double vacation” system in many African countries (especially the Sahelian where the schooling rates are lower) : in this case a primary school teacher is in charge of two ‘cohorts’ of children, so that the ratio can reach more than one hundred pupils for one single teacher ! (see Bianchini, 2001).

One then understands that social privilege at school not only lies in the structural mechanisms of the transmission of *cultural capital* but also in access to the best places that money can buy, combined with all the resources of the social network. The developmentalist theory has been stood on its head ; instead of evolving from an ascription-oriented to an achievement-oriented situation, we now find the opposite : opportunity for social mobility thanks to education now seems to have disappeared and all this has happened within the space of a single generation. In this context, a private sector in education was developed, as a complementary device to secure the reproduction of this “State bourgeoisie”.

This policy, which reinforces a growing trend toward inequality in the name of “efficiency”, contains an apparent oddity : the WB advocates measures in favor of girls at school, justifying this by the imperative of “ equity “. Of course, no one can question the lagging percentages for females in African education systems and criticize the idea in itself. Nevertheless, we must also remember the gap had tended

to diminish in the sixties and the seventies but then stopped during the austerity era of the 80's. What is even more important however is to understand the real cause of this insistence on schooling girls. We might think that egalitarian and feminist principles were being promoted, but this is simply not true. Instead, the correlation between higher female literacy and lower reproduction rates is used to justify policies curbing the previously underrated demographic expansion in Sub-Saharan Africa. Nowadays, we are undoubtedly confronted with instrumental rationality in another guise. Hence, the developments in *policy, content* and *form* of education need to be seen in conjunction with the changing forms of capital accumulation. Following have been some of the manifestations of this development in the continent.

1. Education is more than the formal institutional structures and classroom transactions. It is an arena that reflects the agenda and need of the dominant class interests in a society. Therefore, to understand whatever happens in education it is important to understand the class politics, or the labor-capital conflict, characterizing a society. But due to this lack the character of the state is seldom questioned in the Indian education discourse. It, many a times, ends up being a nostalgic, illogical discourse that demands a neoliberal state to become welfarist.

2. Capital in Africa never felt the need (during the past more than 50 years) to spread education (meaning democratize accessibility to education) because (a) the requirements of labor force were being met by an unequal system; (b) it was able to segment the educational levels of people in congruity with the segmented labor market thereby *regulating* the educational apparatus-labor market linkage as well.

3. Even today neoliberal capital cannot afford to democratize accessibility to education because it would amount to its decommodification.

4. Quite naturally, neoliberal capital destroys institutions that hamper its progress or appear not to make profits. It also curtails the pedagogic processes that potentially generate a critical perspective against the system – the decline of social sciences and fundamental researches in sciences is an example along with technicization of

science and popularization of new ‘professional’ (skill-obsessed) courses in the social sciences.

5. In this scenario class manifests itself in following ways in education: (1) there is a particular kind of class formation that the education system foments; (2) the education system becomes an effective ideological state apparatus (ISA) evident in the way capital dominates over labor in their conflictual relationship even in the time of such a serious economic recession; and (3) the possibilities of transcending the capitalist mode of production through creating new imaginations of a world beyond capital becomes difficult and impossible thereby establishing the inevitability of capitalism.

6. Education, if located in the matrix of labor-capital conflict, unfolds as the battleground of competing classes. The constituents of this location – teachers or students remain workers whose realization of their class position is delayed by the character/orientation of this location.

7. While education remains the most vital link for capitalism to sustain it also remains the location where the link can be broken because it is where the workers (when they realize that they are workers) are also in control of the kind of product that they produce to a great extent (though this freedom is diminishing and is differential across the uneven terrain of educational landscape).

The neoliberal assault on education in India is different in terms of its trajectory compared to the West. In the UK or the US, for instance, thanks to concerted struggle by masses and also because of the needs of capital in those particular moments of history, laws and policies that made school education universally accessible to children were enacted. It was the phase of, what Harvey calls, “embedded liberalism” or what many others call Keynesianism. The crisis of the Keynesian model of accumulation was also reflected in the sphere of education when the governments of these nations began the process of withdrawal and started creating spaces for private capital within sectors where state control was entrenched. This pattern does not have much similarity with the African situation because the development of capitalism here has had a different trajectory. However, the welfare state that came into being, post-Independence, did not create an education system on

the lines of what the Nkrumahs and others during the anti-colonial freedom struggle had conceived. It was a system designed to perpetuate class biases. The neoliberal states created distinction in terms of 'elite' institutions. Similarly, different types of schools were established by the states for different sets of people. The needs of a skilled workforce were limited and the limited number of institutions was sufficiently meeting those needs. More than this nothing else was required. The intentions of equality and social justice were being defined in the limited sense of what could have served the needs of capital. It was a notion of equality and justice falling within the mandate provided by that particular stage of capitalism. Hence, it is not only fallacious to get nostalgic about the 'great' days of welfare state but it is also myopic in terms of analysis because it falls short of tracing the relationship of capital, in different forms and at different moments, with the education systems.

An extension of this fallacy is manifest in the way the arguments for a better educational system or efforts at establishing alternatives, which have emerged at different points of time, have always failed. There is an intrinsic relationship between the educational processes and the social processes of reproduction. The two cannot be separated. "Accordingly, a significant reshaping of education is inconceivable without a corresponding transformation of the social framework in which society's educational practices must fulfill their vitally important and historically changing functions." (Mészáros, 2009, p.216) In other words, it is important to locate oneself in terms of class position before formulating educational analyses or alternatives. One cannot formulate an alternative from the vantage point of capital and claim to fight alongside labor or claim to establish a socially and economically just education system. "The objective interests of the class had to prevail even when the subjectively well-meaning authors of those utopias and critical discourses sharply perceived and pilloried the inhuman manifestations of the dominant material interests." (Mészáros, 2009, p.217) The reason behind the failure of efforts at changing the educational maladies and institute an alternative has been that they "reconciled with the standpoint of capital" (Mészáros, 2009, p.217).

World Bank Broken Hegemony in Africa

The logic of the WB in the field of education as in all the other domains in which it intervenes is always to pursue its determination to influence national policies. This is why it is not true to say that Bretton Woods institutions are not sensitive to the social consequences of adjustment. It is, in fact, very clear that the WB has conjured up the concept of “good governance” essentially to extend the scope of their policy-making power. At the same time, that means that they are not obliged to relinquish their pretended mask of technocratic neutrality (George & Sabelli ; 1994). This is not merely a case of begging the question. For example, in order to implement a particular “adjustment” in higher education in Senegal in the 90’s, the Bank demonstrated that it was able to act in a rather subtle and political manner (Bianchini, 2000).

At a more general level, in Africa, the Bank tries to train a new managerial ruling class through “capacity building” programs. It also recruits former civil servants as program administrators, offering them salaries at least five times those awarded locally, which tends to create a parallel administration to the official one. In response to the crisis of African higher education, the Bank has launched an ambitious program of an African Virtual University (AVU), intended to curb student emigration to Western universities. In order to perfect this ambition of intellectual hegemony, the Bank has symbolically recruited Cheikh Modibo Diarra, to manage the project of AVU. This personality, a former engineer of the NASA from Mali, epitomizes the idea of African achievement in the era of globalization. More generally, the WB sees information and communication technologies (ICT) as an opportunity to realize its ambition to become the benchmark international “knowledge bank”. With this aim in view, the WB intends to open a new portal on the net in order to replace its existing website. It should give access to *‘the most comprehensive information available on a topic presented clearly, logically and conveniently.’* (For a critical approach of this Gateway Project, see : Wilks, 2001 and the website : www.brettonwoodsproject.org).

But all this organizational strength, even when it is backed up by considerable funds, might prove to be more apparent than real. First, the Bank is still totally dependent on Western countries. It is not an autonomous system like the Catholic Church or the Comintern used to be. This is a general comment, but in the field of education, everybody recalls the eclipse of UNESCO in the 80's, with the defection of the United States and Great Britain. Second, as regards education projects at a country level, the Bank has to compete with other cooperation agencies, some of which are sometimes far more experienced and fiercely jealous of their prerogatives. Even if the Bank tends to invite these other agencies to merge in a "task force", like Donors in African Education (DAE), such rivalry still exists. Third (and not least), at the local level, the WB has no rank and file priests or soldiers. Moreover, its local representation sometimes lacks credibility. For instance, in the changing political context of the 90's, we may find that the education minister or some other top civil servant speaking in favor of double vacation classes or adjustments policies in general, was the same one who had criticized this system a few years earlier.

For instance, the most radical teachers union leader of the 80's in Senegal, Mamadou Ndoye, , became a minister of Education in 1993 to implement the very same adjustment policy. More recently, he was nominated as the head of the Association for the Development of Education in Africa (ADEA), an international organization created to replace Donors in African Education (DAE) On a larger scale of time, this remark on inconsistency in principles could also be addressed to some Western academics. In 1974, it was fashionable to organize a colloquium on "Education and Equality" at IREDU in Dijon, whereas a few years later, the wind has changed with the importation of the human capital model.

Of course, nobody can deny that there is a pervading influence of managerial values among students (Fall, 1992 : 501-513). But, at the ideological level, is this more significant than the anti-imperialist Marxist vulgate that, seemingly, twenty or thirty years ago, used to prevail in African campuses? And, in terms of individual behavior, attitudes of "careerism" at the University have long been rife since the very beginning of African universities and even during such a period of

radicalization. The social struggles at the University of Ouagadougou during the 70's have been analyzed through the concept of "careerism" as a competition between different groups of 'bureaucrats' or 'would be' bureaucrats, in order to influence the tracking system (Sanou, 1981).

Even among the WB economists, the idea that the market is the main solution to education problems in poor countries is openly questioned in recent writings (Orivel, 2001). As a 'meta-State' or a 'new Church', the WB demonstrates large ambitions of hegemony. But seen from different angles, it appears sometimes as *an idol with feet of clay*. Nothing proves that it will be able in the next decades to promote its ideology and to implement its policies at a grassroots level.

Transforming African Education through Class Struggle

Struggles for the transformation of tertiary education have also clashed with inadequate funding and the impending cuts in public subsidies due to the reduction of state involvement in the sector. This "austerity" situation is used by old-style university administrations to resist change in the composition of the student body in order to make it more representative of the South African population, and to redress the plight of the formerly excluded. Workers and students' demands for a real change in working conditions and study curricula are blocked while the position of the privatizers of the university is reinforced. Moreover, struggles against privatization, downsizing and retrenchments have been matched by high degrees of repression as in the case of the COMSA trade union at the University of Durban-Westville.

In order to establish an alternative and build a movement towards it, it is important to recognize that this alternative could happen only outside capitalism. In this era of neoliberal capitalism, when the offensive of capital has pushed the resistance on the back foot, a counter-narrative has to be rewritten. This counter-narrative has to be a comprehensive battle plan that would include educational transformation as well.

“Our educational task is therefore simultaneously also the task of a comprehensive social emancipatory transformation. Neither of the two can be put in front of the other. They are inseparable. The required radical social emancipatory transformation is inconceivable without the most active positive contribution of education in its all-embracing sense.... And vice-versa: education cannot work suspended in the air. It can and must be properly articulated and constantly reshaped in its dialectical interrelationship with the changing conditions and needs of the ongoing social emancipatory transformation. The two succeed or fail, stand or fall together” (Mészáros, 2009, p. 248).

There are a lot of alternatives being put forth against the so-called neoliberal assault. The most radical of these alternatives find marketization of education, increasing commodification, consumerism and subservience of education to corporate houses extremely problematic. The authors of these alternatives also lament the transformed culture of the new education system that is coming into existence. These concerns appear quite justified. However, the problem begins when (1) the analysis of the situation is undertaken – in terms why these tendencies emerge and not so much in terms of how they operate; (2) what can be the alternative; and (3) who will be the driving forces of transformation. There is a tendency to enumerate the symptoms without indicating or identifying the socio-economic processes that give rise to them. Hence, even if such critiques of neoliberalism argue for alternatives the thrust is on reinstating the welfare stage of capitalism. The location of the problem within labor-capital dialectic always remains absent. Welfare state and its institutions become the possible alternatives as if the idea of exploitation and inequality was absent in such a stage.

Such critiques are forced to remain silent witnesses at moments when the neoliberal state adopts a welfarist stance on some of the issues. This happens because there is a distinct failure to uncover how and why certain institutions or policies come into being at particular moments in history and how those moments have also not been exclusive of class antagonism. Therefore, scholars and activists alike begin imagining that a particular state institution within capitalism can have the potential of being revolutionary and anti-state (read anti-

capitalist). Such an understanding destroys the possibility of systemic transformation without which an education system, which is liberating, is impossible to achieve. What can be more naïve than to think that capitalism would allow its education systems to produce critical, self-reflexive and radical beings who would question the basic premises of the system founded on the principles of private property, exploitation and mindless race for accumulating wealth. Unless scores are settled with this naiveté of the ‘radical-progressive’ agenda of back to welfarism, which discounts class struggle as the only possible alternative for transforming iniquitous education or health ‘sector’, the battle cannot become sharp enough to threaten capital and its neoliberal agenda in Africa.

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Summary, Reprise and Typologies

Overview

Today one may claim without any fear of exaggeration that much of Africa is ready for a new democratic environment for its development. However, the continent is a very long way from taming the predominance of demons afflicting deeply-divided societies and the civic virtue/culture that characterize such a democratic civic community. It would require a sweeping transformation of political culture and an enormous accumulation of social capital in the form of these cross-cutting, civically engaged organizations. If this trend is not nurtured, through the types of institutional reforms, African countries will continue to recycle bizarre forms of imposed democracies that lead them away from the path to people-centered democracy, development, and political stability. This recycling process is what fuels the prevailing mood of Afro-pessimism.

Looking Backward

In 1957, Ghana became the first black African country to gain independence from European colonial rule (Sudan gained its independence in 1956, but it regards itself as part of Arab Africa, rather than black Africa). The Prime Minister of Ghana, Kwame Nkrumah, had won an election in 1956, campaigning on a platform of attaining immediate independence from British colonial rule. Nkrumah had served as Prime Minister from 1951 to 1956, a period in which Ghana enjoyed internal self-government, under the supervision of the British colonial governor in the country. The governor had the power to veto decisions by Nkrumah that he felt were harmful to the interests of the colony. This was the period in which Ghana enjoyed the greatest levels of freedom and prosperity in its history.

Two conservative Ghanaian politicians, J. B. Danquah and Kofi Busia, opposed Nkrumah's campaign for immediate independence.

They wanted to preserve the status quo, because of the stability and prosperity which Ghana was enjoying. They preferred a more gradual path to independence, in contrast to the campaign for rapid decolonization. Both men realized that without the supervision of the British colonial power, Nkrumah would turn Ghana into a dictatorship, and impose his deeply-held Marxist beliefs on the Ghanaian people.

The opposition political party that was supported by Danquah and Busia lost the 1956 elections, and Nkrumah was able to lead his country to independence on March 6, 1957. The dire predictions of Danquah and Busia came true, and in a couple of years, Nkrumah established Africa's first post-colonial dictatorship. Danquah was subsequently arrested and jailed as a political prisoner, and he eventually died because of the terrible prison conditions in which he was held. Busia fled the country in fear of his life, and he returned to the country only after Nkrumah was overthrown in a Western-backed military coup in 1966.

Most of the Black African nations that gained independence after Ghana followed its path by establishing one-party dictatorships. Observers soon began to describe the practice of democracy in Africa as 'one-man, one-vote, one-time'. In many of the cases, the winning political party at the independence elections used its majority in the national parliament, to pass legislation outlawing the existence of opposition political parties. This left the ruling party with a monopoly of power. This trend challenged the widely held notion that pure democracy leads to more freedom. If anything, in many countries, Africans enjoyed greater personal freedom and prosperity under colonial rule, than they do today under independent governments. While opposition parties have been permitted to exist in some countries in the last few years, the oppressive habits associated with one-party dictatorial rule have been hard to break.

In the 1960s, American conservatives were outspoken against the wave of decolonization and democratization in Sub-Saharan Africa that was being pushed by the United States and the former Soviet Union. William F. Buckley, in his book, *Up From Liberalism* wrote:

“We see in the revolt of the masses in Africa the mischief of the white man’s abstractions: for the West has, by its doctrinaire approval of democracy, deprived itself of the moral base from which to talk back to the apologists of rampant nationalism....Democracy, to be successful, must be practiced by politically mature people among whom there is a consensus on the meaning of life within their society....If the majority wills what is socially atavistic, then to thwart the majority may be the indicated, though concededly the undemocratic, course. It is more important for a community, wherever situated geographically, to affirm and live by civilized standards than to labor at the job of swelling the voting lists”.

Buckley tried to make the distinction between universal suffrage and freedom, in his analysis of the conditions in the American South before the passage of Civil Rights legislation, which he compared to colonial rule in Africa:

“Does the vote really make one free? I do not believe it necessarily does....Being able to vote is no more to have realized freedom than being able to read is to have realized wisdom. Reasonable limitations upon the vote are not recommended exclusively by tyrants or oligarchs (was Jefferson either?). The problem of the South is not how to get the vote for the Negro, but how to train the Negro – and a great many whites – to cast a thoughtful vote”

Buckley was however careful to distinguish his position in opposing universal franchise in the American South, from that of the southern segregationists who advanced genetic arguments in opposing black voting rights in the South:

“There are no scientific grounds for assuming congenital Negro disabilities. The problem is not biological, but cultural and educational”

Today, if one were to argue in favor of restrictions to the right to vote, one would be labeled as an enemy of freedom. But, as we have seen in Iraq, Afghanistan, Venezuela, and in much of Africa, democracy does not necessarily lead to freedom. With hundreds of thousands of Africans fleeing their countries as a result of the violence that has engulfed those nations, can anyone seriously suggest that they are freer today than they were under one-party systems? Are the nations of Zimbabwe and the Democratic Republic of Congo freer today, than they were under colonial rule?

Classical liberals have long said that one cannot build a free society without putting in place a political system that protected property rights. The 17th Century English philosopher, John Locke, asserted that the prerequisites for a free society were the protection of life, liberty, and property. Locke did not limit his definition of property to material goods, but included as a form of property the ownership of one's labor. Twentieth century Communists understood that, by abolishing private property through nationalization, they would completely strip private citizens of their means of self-support and independence, reducing them to the status of slaves. This led to a situation where people living under Communism were completely dependent on the government for their very survival, which allowed the government to control every aspect of their lives.

The ongoing post-election violence in Africa has caused observers to reflect on the challenges of bringing democracy to deeply divided societies. Before neoliberal democracy was launched in the 1990s in Africa, the West assured Africans and the world that the removal of African dictators would result in the creation of peaceful, well-governed, and democratic societies in the continent. But it is now becoming clear that building a successful democracy is not as easy as many Westerners had assumed. Pure democracy is a system that works well in particular cultures, and not all cultures are equally suitable for building harmonious neoliberal democratic societies, even including the West.

Summary

For several decades, the international community has assisted African countries' transition to Western-style democracy. The collapse of the Soviet Union gave democracy assistance a significant boost in the early 1990s; the attacks of September 11, 2001, on America propelled democracy promotion further, targeting new regions and infusing a greater sense of urgency into this field. With an increasing focus on fragile and conflict-affected countries, billions of dollars—and thousands of lives—have been spent on democracy assistance. Yet, despite years of experience and enormous resources devoted to the cause, the record on democracy assistance to Africa remains checkered.

Africa is now paralyzed by the rise of failed democracies—countries that hold elections but do not develop institutions to support civil society—sparking conflict rather than easing it. From all indications, elections do not change the system. Joining the government and becoming a politician is no solution. The result across broad swaths of the continent has been the concentration of power with the people who make the continent's conflicts worse and its democratic efforts a mirage.

The Democratic Republic of Congo, now ravaged by war, seemed to have a promising future just a decade ago. Mobutu Sese Seko, the longtime dictator, had seen his grasp of power slip as he aged and got sick, and rebels marched across the country from the east, ultimately taking power in 1997. Laurent Kabila, the former rebel leader who took over after Mobutu, promised to build a democracy that would bring together the giant, fractured country.

The nation's turn was emblematic: In the early 1990s, Africa appeared poised for takeoff to a time of real democracy. With the Cold War over, Western powers no longer simply backed whatever dictator took their side. And at the same time, the independence generation of African leaders, many of whom had authoritarian tendencies and large amounts of power, was passing from the scene. Africans looked to new leaders like Uganda's Yoweri Museveni, Ethiopia's Meles Zenawi,

and many others. Bill Clinton, on a 1998 visit to the continent, touted what many saw as an exciting “new generation” of African leaders.

Alas, this new generation has begun to look like an echo of the past one. In Congo, Kabila soon turned autocratic himself, and ultimately was assassinated by one of his staff in a failed coup attempt; the country is now ruled by a shaky democracy, but one in which the president is vested with so much power it can hardly be called free. In Uganda, Museveni’s government allegedly committed massive human rights abuses, while other new generation leaders fell into the same old ways.

Still, these new-generation leaders made one change from the past: they generally held elections. Indeed, from Uganda to Rwanda, Africa is now paralyzed by the rise of a new, but not necessarily better, form of government - failed democracy, in which a country holds elections but does not develop other institutions, sparking conflict rather than easing it. In these countries, elections have become referenda on tribal or religious identity, solidifying antagonisms between groups. Worse, the electoral winners have utilized their mandate to stamp out many other elements of democracy, like a free press, trade unions, and opposition parties.

Across broad swaths of the continent, there has been a move to democracy; yet, in some ways, giving more power to the people has actually made the continent’s conflicts worse.

Africa’s failure of democracy is proving destructive across the continent. Too often, it is entrenching old hatreds, and leaving in power leaders who can claim they were elected while tearing apart civil society. And the rise of failed democracies also provides a lesson for Western leaders, and their democracy-promotion outfits, who thought they had the formula right. Holding elections is not enough; and, though it might be heresy to suggest it, sometimes a strong, unelected leader may prove more effective in the short term. Worst of all, many Africans, their hopes for democracy damaged, are turning once again to other means to solve their disputes - like the gun, in Congo, where some outside observers now fear a Rwanda-style genocide.

Africa’s wholesale move to electoral democracy has been remarkable. In the beginning of the 1990s, nearly the entire swath of

land south of Sudan was run by autocrats. Today, according to global monitoring organization Freedom House, every nation south of Sudan ranks as either “partly free” or “free,” save the two Congos, Rwanda, Swaziland, Zimbabwe, Cameroon, Angola, and Somalia. Indeed, nearly the entire continent now lives under a form of democracy.

It was a change that was welcomed in the West; for years, Western democracy-promotion outfits, like America’s National Endowment for Democracy, had invested in building freer societies across the continent. Western leaders argued that, with democracy, Africa would be able to settle old conflicts at the ballot box, and create the stronger growth rates that come with freer societies.

And in some respects, these new democracies are better than the old. Forced to at least occasionally face the voters, African leaders no longer are able to engage in the kind of extreme kleptocracy practiced by the likes of Mobutu, who made Congo (then Zaire) his personal purse, allegedly squirreling away billions in Swiss bank accounts. In some countries, like Zambia, democracy also has led to a flowering of NGOs, trade unions, press outlets, and other types of civil society.

But with a few exceptions, like Botswana and South Africa, most of these countries have failed to create truly inclusive or stable democracies. Instead, they have created systems in which leaders, representing one ethnic group or religious group, win elections and then use their time and parcels of power in office to enrich only their tribe or religious cohort. These divisions, exacerbated by elections, make some newer democracies more conflict-prone than old-fashioned autocracies. In Kenya, long considered one of the continent’s most stable nations, elections in late 2007 became a stark referendum on ethnic ties. At least 1600 people were killed and tens of thousands uprooted from their homes.

In many countries, the old urge to dominate has proven too powerful even for the new generation. In Ethiopia, late Zenawi soon turned authoritarian, allegedly unleashing his security forces to torture and rape civilians in the rebellious southeast of the country, and locking up hundreds of opposition supporters after elections. In Nigeria, former president Olusegun Obasanjo, touted as the continent’s brightest hope when he took over its largest nation, used

his time in office to attempt to change the constitution to give himself more terms and then installed his handpicked successor as president in an election marred by fraud.

“The election was a charade,” declared a group of Nigerian opinion leaders monitoring the poll.

In some cases, freer politics also has meant freer graft. Unlike the old autocracies, where corruption filtered to an elite circle, in the new democracies officials at all levels can stick out their hands. In Malawi, one of the poorest nations on the continent, local businesspeople complain that, compared with the era of dictator Hastings Banda, today they have to pay off many more government officials to get through a maze of bureaucracy.

The move toward democracy also seems to have made African leaders no more likely to promote democracy outside their borders. Despite vowing to no longer tolerate dictators, Africa’s leaders seem content to look the other way. Most notoriously, the government of South Africa, the richest and most powerful state on the continent, did nothing for years as Robert Mugabe terrorized neighboring Zimbabwe.

The Bush administration vowed it would transform America’s foreign aid to reward countries that governed themselves well, but it shoveled funding to African leaders who committed to counterterrorism. Zenawi, for one - his government, working with the United States, launched an incursion into Somalia in an (ill-fated) effort to defeat Islamists there. One comprehensive study by the Center for Public Integrity, an investigative reporting group, found that, in the three years before 9/11, US military aid to Ethiopia totaled less than \$1 million. In the three years after, it totaled more than \$16 million.

This lack of sanction for human rights abuses only encourages more tyranny. For years after the extent of his crackdown became clear, Mugabe attended African summits and was received warmly by his peers - since, as leaders of failed democracies, they did not want anyone criticizing them either.

Democracy has also failed to deliver economic results for the continent’s poorest people. Africa has achieved higher growth rates in the past decade than many previous years; by 2006, the World Bank reported it was catching up, in annual growth, with the rest of the

developing world. But, with some exceptions, growth has not trickled down.

Perhaps unsurprisingly, then, Africans are increasingly disillusioned with democracy. In 2007, polls by the *Afrobarometer* research organization found that the number of Africans satisfied with democracy had fallen by 15 percent since 2001. Akwe Amosu, a senior policy analyst for Africa at the Open Society Institute, says Africans still have an appetite for democracy, but “there’s no doubt that people of all classes feel they’re losing some battles and past gains.”

The failure of many African democracies should make democracy-promotion groups reconsider their strategies on the continent. Simply getting countries to embrace elections means little, if they then fall into the failed democracy trap. For some democracy-promotion organizations, this will mean broadening their work, to include promoting inter-ethnic dialogue and supporting other aspects of democracy, like free media, so that they are not relying on polls alone to bring societies together.

For others in the West, it may mean thinking the unthinkable: That, at least for a time, a stable, relatively liberal autocracy may prove more effective than democracy. In Rwanda, for example, a society still recovering from a genocide, leader Paul Kagame has with a strong hand managed to rebuild many of the country’s institutions and to use his power to attract foreign investment, while preventing the kind of ethnic strife that might come from new elections. The country may be growing by as much as 10 percent, one of the highest rates on the continent. And, despite an absence of democracy, Kagame oversaw a national consultative process that resulted in the successful drafting of a new constitution.

Kagame is not without flaws: His government stands accused of extrajudicial killing, severe restrictions on the press, and other abuses. But before him, says Mauro de Lorenzo, an African expert at the American Enterprise Institute, Rwanda faced disaster. In the case of Rwanda, Zaire, and Burundi, 1990 to 1994, the rapid imposition, from outside, of the structures and mechanisms of multiparty democracy leads directly to the unprecedented cataclysm that subsequently

engulfed each place. There are lasting lessons to learn from these experiences.

Ethnic differences continue to play a major factor in Africa's mirage democracies. This is due to the fact that they either are based on natural descent groups that always used to have such loyalties, or that - even though they have been created by outside factors - people came to believe in such differences themselves and now act according to that. This does not mean that such groups are just classes and ethnic conflicts are just hidden class conflicts. Only in some cases, as for example in the case of the Hutu and Tutsi in Rwanda, this is true. But one cannot deny that there are different classes within ethnopolitical groups as well. In most of Africa opposing social classes as in Europe have never even developed. Most of the time conflicts occur along regional lines. Therefore, in Africa we have to accept a plurality of cultures and the struggle has to point out cultural diversity and not just classes. Also, the struggle for more rights of women is crucial and part of the anarchist struggle and should therefore not take a minor position.

Most pre-colonial African societies were far from being absolutist. Power, although almost always being personified in a chief or king, was constrained by a multitude of checks and balances. Councils of 'kingmakers' who could 'destool' chiefs, age-grade groups, councils of elders and other institutions existed which limited the power of the ruler. These institutions corresponded to the balance of forces between the classes in the various societies. The modern nation states imposed by the departing colonial powers lacked any such means of balancing the ruler's power. Certainly, there were model constitutions with clearly divided executive, legislative and judicial powers. But these balances existed only on paper, they had no relation to the class compositions of the societies and as we should know, this is the important thing.

In effect, without a strong bourgeois, there is effectively no local control over the actions of the rulers of most modern African nations. They merely require the connivance of the imperialist power (UK, US or France) in whose sphere of influence they find themselves, and the support of the security services. The imperialist powers care about nothing other than the supply of cheap raw materials to their

transnational corporations and will support any ruler no matter how despotic and brutal, as long as he ensures a regular supply. The 35 post-independence military interventions of France in Africa have shown this very clearly. They have saved such demons as Mobutu (several times), Bokassa and Eyadema and tried their best to save the genocidal regime in Rwanda until the end. The US for its part has provided military support for such infamous murderers as Jonas Savimbi in Angola.

Since most of the ruling class of Africa (defined as those who appropriate the workers' surplus) are in effect the shareholders of transnational corporations residing in London, Paris and New York, there is very limited scope for locals to gain power and wealth. In fact in most modern African nations, control of state power is the only available route to power and wealth and since only a small fraction of the appropriated surplus remains in Africa, this power and wealth is available only to a small number of individuals at the heart of the regime. Thus the history of post-colonial Africa has seen tremendous battles between small cliques to gain control of this vital resource. Mercenary invasions, coups, ethnic rebellions and civil wars have raged across the continent as ambitious 'big men' have fought amongst themselves for the vital state power. Every ruler knows that as soon as the profit margin of the transnational giants starts to fall, an ambitious army officer or chief of some oppressed tribe will be found to replace them. Thus they are driven to ever greater excesses of brutality to ensure the constant supply of profits.

Things get worse still when the imperial powers compete amongst themselves for control over state power. The bloody carnage which has raged across central Africa in the 1990's, reaching its worst in Rwanda and Congo-Zaire, is portrayed by the media as another example of the collapse of weak states into savagery. This is an imperialist lie. The situation in central Africa owes much to the battle between US and French multinationals for control over the region's vast mineral wealth. Elf-Total to name but one of the villains, maintains private armies and secret services in its central African domain. Again the recent tumult in Côte d'Ivoire becomes much easier to understand when one realizes that Ouattara, the Washington based

ex-IMF official was supported by the US, while Gbagbo was Paris's man at a certain time (as was Bedie and Houphouet-Boigny before him). In fact this is part of a process that is happening all over French Africa. The US is attempting to muscle in on France's terrain by promoting the graduates of the Washington based International Financial Institutions instead of the traditional elite trained in Paris's ENA and other top institutions. The long suffering people of Africa are the inevitable losers of this game of imperialists.

Taking this analysis of class and imperialism into account, it becomes clear that the situation in Kenya, the 'chaotic murders on the streets', is not a case of "the chaos of a weak state", rather it is really the "chaos of a despotic state, underwritten by imperialism". President Moi was a gangster, leading a government of thugs. The chaos on the streets of Nairobi, where there were frequent riots, was not caused by some sort of absence of state power. It was caused by an extremely present and vicious repressive state power which violently suppressed all opposition. The people of Kenya have been very angry and increasingly determined to stand up to Moi's corrupt and repressive regime. Every time they tried to protest or demonstrate their opposition, they were violently attacked by the security services and the gangs of hired thugs in Moi's KANU party. For an anybody to look at this situation and suggest that there may not be enough state power is criminal and hardly likely to gain the support of Kenyans, whose politics are apparently quite close to democracy, and who heroically refused to be intimidated by this repression and continued to demonstrate despite it.

In general much of what is presented by the Western media as examples of the senseless chaos of Africa, is anything but, rather it is carefully engineered events with the support of the Western powers. The phrase 'beacon of stability' means 'uninterrupted profits for transnationals'. If it was really a beacon of stability, then what about the rift-valley ethnic massacres of the 1990s or the Rwandan genocide in 1994? These were in fact engineered by government ministers to cement their hold on power. These were examples of the stability of despotism through police brutality. The role of the police is to repress

and silence the working class and poor. This problem cannot be fixed by commissions or enquiries—as some people think.

In fact, Kenya under Moi was actually a country where the government had some of the least impunity in Africa. This was due to the significant number of white commercial farmers and the small industrial base around Nairobi. It was a tiny and weak bourgeois by Western standards but it did not mean that Moi could not go as far as some other African despots like Bokassa and Mobutu.

To sum up, in general what the media presents as the consequence of ‘weak government’ and irrational violence is anything but true. The building of regular bourgeois democracies in Africa as ‘an improvement on the present carnage’ is impossible for the simple reason that most of Africa’s bourgeois live in the imperialist nations. In Africa a normal bourgeois democracy would be impossible to achieve without overturning the global capitalist imperialist system. When that happens capitalism of any form will be a thing of the past.

Africa has always been dominated by outside influence. Only a new global system can change this dilemma and only an African democracy allows for a truly international system that once and for all does away with the unjust exploitation of many by only a few. Only African democracy allows for real self-determination. No state is suitable, whether it has cultural boundaries (as some ethno-political groups demand) or not, because if cultural and national boundaries are the same then the state is in danger of becoming nationally oppressive by excluding people with different cultural backgrounds. Similarly, a multicultural state always runs the risk of having one group trying to assimilate others. Summing up, states - even Western-style democracies - only exist because they help some people to be more powerful and to accumulate wealth by means of power. This becomes especially clear when looking at the Congo. We do not need states; there are many examples that people can organize themselves, even on a global basis. Another Africa is possible; Africans have to start believing in it and fighting for it.

State, Democracy and Neoliberalism

Neo-liberalism, in stark contrast to Keynesianism, argues that economic growth requires an end to government intervention in the economy (except in the military and prison sectors). Now the “invisible hand” of the market should rein unhindered, naturally allocating economic resources fairly and efficiently, creating a healthy equilibrium between supply and demand. Thus the era of Keynesianism and welfare capitalism has come to an abrupt end, once again transforming the imperialist landscape.

The shift to neo-liberalism in the metropolis did not end neo-colonialism in Africa in particular as well as the third world in general. In fact, the neo-liberal onslaught began in the third world much earlier than it began in the developed world, starting with the U.S.-instigated coup in Chile in 1973. The third world was always encouraged to adopt trade liberalization and free market policies in order to facilitate the transfer of wealth from the third world to the U.S. and Europe. The shift to neo-liberalism in the metropolis only changed how neo-colonialism was enforced on the third world. Now international institutions, representing the collective economic will of the Western powers, emerged to impose neo-colonial policies on third world countries. The World Bank and International Monetary Fund gave third world countries “development loans” on the condition that they adopted “structural adjustment programs” designed to open their economies to Western markets. Of course these policies did not lead to development, but only to more intense underdevelopment for third world nations.

The neo-liberal empire of today is not the empire of one Western nation, but the empire of transnational corporations, based in the Triad, and enforced through U.S. and NATO military force. Neo-liberalism will not lead to the liberation or development of third world nations, but only their further underdevelopment and exploitation, as recent events in Iraq, Afghanistan and, most shamefully, Libya have proven. The empire of today is the most destructive and dangerous empire that has ever confronted the human race. In the name of freedom, democracy, and economic prosperity, it is pillaging Africa at

an unprecedented rate, leading to devastating wars of terror and occupation.

There is often a mistaken assumption that neo-liberalism equates to a reduction in the power of the state, and that under neo-liberalism the state withdraws from the economy. Nothing could be further from the truth. Neo-liberalism arose as a response by states to the downturn in the global economy—including in Africa—that first erupted in the 1970s (Hattingh 2009). In terms of this, neo-liberalism represents a class war from above to restore growth rates and increase profits to pre-1970 levels. Neo-liberalism, therefore, involves the state actively moving against workers and the poor through promoting privatization, labor flexibility, wage restraints and the cutting of services to the working class.

While this is done to workers and the poor, as part of neo-liberalism the state also intervenes for the benefit of the ruling class through amongst other things bailouts, tax reductions for the rich, opening up new investment opportunities to corporations, outsourcing, providing cheap finance and even subsidizing certain key industries. Furthermore, neoliberalism promotes a strong state that can maintain a “level playing field” for the private sector and actively and effectively enforce private property rights. Thus under neo-liberalism states have also expanded their oppressive functions, such as policing and intelligence gathering, to try blunt the protests that often accompany the attack on workers and the poor (Price 2001). The aim of all these measures, therefore, is not to decrease the power of the state, but rather to use state power to increase the ruling classes’ profits and wealth, while also securing its own sustainability by cutting the costs of providing services to the poor (Hattingh 2009). Indeed, state officials, in order to secure their own position in the ruling class, desire a strong economy – and in the current context they push neo-liberalism to try and ensure this. In this, their interests converge with the other part of the ruling class, the capitalists.

In South Africa specifically, therefore, while attacking workers and the poor, the neo-liberal South African state has continuously tried to assist corporations in restoring and maximizing growth. This has even involved the state using its resources to provide services to

corporations at below cost and, when needed, it has also bailed out companies (Hattingh 2010). Therefore, states —whether in South Africa or internationally—continue to play a key role in the economy (in South Africa state expenditure still accounts for over 30% of the GDP. Although some states (but certainly not all) may cap their spending, what they do spend is also increasingly directed towards benefiting the ruling class. As such, neo-liberalism, both in South Africa and internationally, has involved the state using its vast power and resources to shift the balances of forces continuously towards the ruling class. Given that neo-liberalism is a class war from above, the fact that the South African state intends to spend money on projects that will stimulate growth and ultimately benefit the ruling class is, therefore, not a break with neo-liberalism; it is rather a central part of it. This is true for all other African countries under the stranglehold of neoliberalism (www.iol.co.za/.../highlights-of-sa-2011-12-budget-speech-1.1031293?).

Indeed, neo-liberalism systematically tries to dismantle many of the structures that limit and regulate the operation of the market, both with regard to relationships between capital and labor and with regard to relationships between different capitalist enterprises. As such it cannot but increase the potential instability in the system, since many of these limits were precisely designed to restrain such instability. To take just three examples, out of many: the reckless desire to remove all restrictions on international capital movements has led to a succession of currency crises over the last decade (in Mexico, East Asia, Brazil, Russia, Turkey and Argentina), while domestic financial deregulation has led to a dangerous buildup of debt in the largest imperialist economy, the USA. The strategy of deregulating pension provision and basing it on stock market returns has led to massive cutbacks in benefits where it has been adopted (in Britain and the USA) and determined working class resistance where it is being proposed (in France and Italy).

The increased instability of capitalism arising from neo-liberalism, coupled with the intensity of the attacks on workers' living standards where neo-liberal policies are adopted, is likely to provide many opportunities in the coming period for socialists to intervene and help

to struggle against such policies. What is also important is to show how these policies arise from the nature of capitalism as a system and the particular strategies adopted by the ruling class to keep that system going.

Theoretical Reprise

Democracy has become one of the most spoiled concepts in Africa today. However, it seems difficult without the “democracy” concept to assess civil liberty, political participation, opportunities and limitations on social and political activists. The Democracy *problématique* emerges in a comparison between ancient Greek democracy and representative democracy. Yet the Western European democracy would be incomplete unless it is conceptualized without considering its historical aspects. Historical aspect is an important phenomenon with formation of political domain, forms of existence and opportunities provided to political activists under different societal forms (Baker, 2005: 13). Therefore, the democracy concept and its inclusions (liberal democracies, non-liberal democracies, underdevelopment and communism) must be assessed within historical aspect (Machpherson, 1984: 8).

Terminological usages of democracy are important for perceiving the progress and undemocratic practices of certain countries. Morlino (2009: 276-277, 284) suggests the term “hybrid regimes”. He suggests that the democracy concept embraces those regimes which do not meet minimum requirements of the democracy, as well. Therefore, these regimes can be called “hybrid regimes” when they get in touch with democracy (including authoritarian and traditional regime forms, too). The minimum necessities of democracy are universal suffrage (both male and female), the free and fair elections (competitive, recurrent) for more than one party, and different and alternative media sources. Another property of Western democracies is the existence of a political regime subjected to the elected (Morlino, 2009: 278-279). “The political weight of military” is one of the most debated issues in Turkey under the European Union harmonization process. This fact is interpreted as limitation of rights and liberties in civil society.

Advocates of a more powerful governmental capacity for assurance of liberties, on the other hand, underline the infrastructural capacity where rights are based upon (Fukuyama, 2005: 118; Morlino, 2009: 280, 293-294). Though the governmental capacity is deemed as the assurance of rights, human rights going beyond the borders of nation-state have become *de facto-de jure* references as global norms.

While rights and liberties provide an assurance in uncovering potentials of civil society, their utilization depends on the capacity of institutions which lay actual foundations for them. Besides the civil society is the domain of potential and actual actors within socio-formation of historicity through sensitivity to religious/cultural, rural/urban, socioeconomic partitions, and internal/external effects. Today, this domain continues to be shaped on a national basis under the matrix of globalization and a range of factors (political, technological, economic, cultural) (Kriesi *et al.*, 2006: 923).

Against nation-state practice, construction of European political domain has become evident as a global fact. Though the historical awareness has been a part of European consciousness and activities, the rise of populist right-wing can be explained starting from the losers of globalization. Partitions through national culture and economy are transferred through the stage (*darstellung*) of globalization onto the European political domain. Accordingly the political space is restructured not only with its historical and actual aspects but also with the change of socio-spatial relations. This is the existence of a new political space, and it changes perception and assessment of personality and identity (Vaeyrynen, 2003: 37; Kriesi *et al.*, 2006: 924, 929, 937-938, 949-951). Variety of identities' being a prerequisite for the progress of capital in globalization process should be interpreted from this point of view.

Against the polarizing and peripherizing effects of globalization, regional convergences indicate socio-spatial change. This, at the same time, is the expression of politicization of the space where political elites placed themselves on the safe side through cooperation against marketization and degradation of world system (Vaeyrynen, 2003: 41, 43-45). Political organization of the space changed enlightenment sources of subjects and political activists. In spite of global information

flow, national political elites, political parties and non-governmental organizations still quarrels within national borders (Koopmans and Pfetsch, 2003: 30). While supranational communication foreshadows new subjects and activity potentials in supranational space, this space is reshaped under interaction of historical confrontations. However, this should not be assessed on the base of pre-political, a priori natural and cultural constants but on the base of political concrete struggle practice (Enyedi, 2005: 698, 700; Zizek, 2007: 216-219).

Civil society

Civil society has been the field of opportunity and experience where potentials of subjects have always brought about new actual subject conditions. In this respect, civil society is the source of political society. Civil society, on the other hand, is the field of hegemony where activist political subjects are polarized. Therefore, a holistic society can only be fictional. Civil society is divided along economic and cultural lines, and bears conflicts perpetually presented (*darstellung*) and represented (*vetretung*) on the political stage (Mutman, 1998: 17). As per Gramsci, civil society is the field where political subjects transformed or re-generated under force and violence together with moral and intellectual leadership. This, on the other hand, is related to building of a certain polity and citizenship form. This is the struggle of political subject on the base of autonomy: this struggle is legitimized in the process of political subjects' evidencing their grievance or government positions through their political formulations with global references of "humanity" and "human rights". Thus hegemony, counter-hegemony and opposing hegemony form modes of existence of civil subjects in civil society (Lentner, 2005: 737-738, 743; Pozo, 2007: 58-59; Ranciere, 2007: 71-73).

Nowadays the civil society is of prime importance in conjunction with democratization problems. "Civil society is generally conceptualized as the social space in which a democratic polity is enacted." The separation between public and private space play a crucial role in shaping the political culture in every country. This fact revealed the cultural aspects of democracy. An active citizen is

considered as the requisition of a participatory political community democracy. Democracy and civil participation have come out to be fundamental aspects of civil society and transformative politics. Identity context which turned into being a matter of participation become a part of democracy problem (Berezin, 1997: 3-5).

The concept of civil society as the current and the potential is to become clearer in the explanation of Cox. “Civil society, in Gramsci’s thinking, is the realm in which the existing social order is grounded; and it can also be the realm in which a new social order can be founded. His concern with civil society was, first, to understand the strength of the status quo, and then to devise a strategy for its transformation. The emancipatory potential of civil society was the object of his thinking. ... Civil society is both shaper and shaped, an agent of stabilization and reproduction, and a potential agent of transformation” (Cox, 1999: 4-5).

Karl Marx saw the proletariat as an alternative within civil society. According to him “... civil society was generating a force within itself that would ultimately destroy and change it”. Alexis de Tocqueville observed this civil society force in municipalities and in volunteer organizations as a limitation of government and potential for freedomization. Gramsci, on the other hand, dealt with class allies within themselves. The composition of leadership and grassroots movements would be realized as a hegemony struggle by means of organic intellectuals (Cox, 1999: 6-7).

Governance

Global change process carries the set of concepts (privatization, localization, autonomy, participation, transparency) which will facilitate expansion of capital. World Bank, OECD and United Nations have been the institutions which served for world-wide popularization of these policies. World Trade Organization organizes the scope of this process as an interstate organization. Governance can be expressed as the “commoditization of politics” standing in the center of the set of concepts mentioned above (Guler, 2003; Mahon and McBride, 2009: 84; Gunlu, 2009).

Europeanization concept comprises all-round inventor aspect of EU (European Union) analysis. The relation between the EU and national authority levels has become an important agenda of country-oriented researches. Accordingly effects of the EU inputs on domestic polity reveal themselves in the rise of multi-level governance literature within the EU system (Rosamond, 2007: 240).

Though the governance embraces the politics in the (social) dialogue model, societal subjects gain specific political ability within the network model through neo-corporatist positioning. It is assumed that network-type organization with the ability of detecting the political problems and changing its own course can facilitate “return” of political domain (Ray et al., 2003: 39, 41, 55). However, the governance works as patronizing government model though it is carried forward through negotiation-oriented maneuvers within dialog-based network model.

Transparency is one of the featured terms in governance concept. This term becomes attractive with actual practices. Honesty has become a political value due to corruption and exclusionist government structure in many countries (including Third World and Eastern Europe countries). The solution offered to two problems mentioned above, invited the governance through transparency and participation (De Vries, 2005: 13; Zizek, 2007: 214-215). Weber’s expertized and institutionalized rational bureaucracy is not a part of practically tested reason but the uniform import of the model. Independent Regulatory Authorities (IRAs) are one of the most common examples for this model. Proliferation of IRAs is fed from coercive pressures from organizations and relevant authorities, transfer factor as a policy learning process among experts and credibility factor as the process of convincing exponents. (Pedersen, 2006: 988-990). Thus governance can be interpreted as sacrifice of variety from the rationality of the experience to the rationality of imposition. It is on the basis of this principle that neoliberalism has killed democracy in Africa.

Rise of Dialectical Democracy

As transnational capitalism is becoming dominant in Africa, alternative globalization projects are also beginning to play prominent oppositional roles. Resistance based on the old industrial Fordist social relations are tending to recede and forms of struggle arising from the new contours of social relations are becoming more visible and viable. This transitional dialectic has two major manifestations. The first takes place at the level of the world system as contradictions within transnational circuits of accumulation; the second set of contradictions takes place within each African country as it rearticulates its local social structure for forcible insertion into the global economy.

Conflicts that typify contradictions in global accumulation concern relations between nations and problems faced by transnational capitalists in their efforts to build a global system. These conflicts are becoming very apparent over issues such as fair trade, access to markets, political rights in determining the policies of global institutions and maintaining sovereignty in the face of transnational corporate power. Such issues automatically create shifting alliances that often erupt in debates in the WTO or UN. Conflicts do not simply pit national class forces against transnational actors, but also contingents of U.S., European, Russian and Chinese transnational capitalists competing over specific concerns and interests in Africa.

One important manifestation of the first contradiction has been the growing alliance of conscious African globalists like Nigerians, South Africans, Kenyan, etc. in their attempt to gain greater power within the transnational economy and world political bodies. Their challenge to traditional Western domination is one form of alternative globalization that could lead to a major shift in the world system. (Harris, 2005a) But the strategy is unlike the twentieth century wars for national liberation in Africa or the Bandung era strategy of state led industrialization and import substitution. Rather it is a struggle for a fair share of profits and trade within the new circuits of global accumulation. Thus the struggle is not a desire to opt out of globalization and form an independent parallel structure, but an

attempt to have greater influence within by changing the character and balance of global relationships.

The second contradiction that is emerging is found within African nation states as they struggle to adjust their social and political structures to accommodate globalization. This is conditioned by their own institutions, history and culture, and mediated through local forms of class conflict. (Harris, 2005b) This is not unique to Africa. Common to countries the world over are struggles that pit neo-liberalism with its low road economic model against movements demanding justice and social solidarity like the bloody Marakina uprising in South Africa. Demands tend to focus on the means of social reproduction, control over state assets, and the protection of the environmental heritage. This covers a wide range of issues including education, health, employment, privatization and the use of natural resources.

These contradictions are manifested with particular force between the state, market and civil society. While these are closely linked in everyday life we can separate the relationships of state/market economics and those of state/civil society politics to develop a working theoretical framework to understand dialectical democracy. But key to this concept is that both the state in Africa and market are necessary for a functioning economy, that an independent civil society is essential for functioning democracy, and that together they constitute an organic and interdependent whole.

One of the great ideological accomplishments of capitalism is the belief that all markets are by definition capitalist. But markets existed before capitalism and certainly forms of post-capitalist markets will also exist. Another fallacy is the insistence from the traditional left that state directed economic planning is superior and more just than market socialism. But there is simply no historic proof for this position. One can certainly say there were important advances in the Soviet Union, China and other centrally planned economies. But these ultimately failed to survive and leave us no convincing evidence that state socialism is a better guarantor of equality or success than market socialism; particularly in light of anti-democratic practices by the socialist state.

Nevertheless, many on the left have dedicated themselves to attacking the market and call for its eradication or severe restriction. This has been true of traditional Marxists tied to state-centric forms of socialism, as well as anarchists who demand the end of the state for good measure. (Albert 2003, Hart-Landsberg & Burkett 2005, Keeran & Kenny 2004) Both traditional Marxists and anarchists see this relationship between the state and market in irresolvable antagonistic terms. For state orientated Marxists, government is the best site for economic planning and development. But central planning is continually challenged by the corrupting influences of the market where the rule of competition and profits can only end in the exploitation of labor and the rise of capitalist class forces. Since the collapse of the Soviet Union there is general recognition that far greater input from workers at the enterprise level is necessary, but the state is still seen as the guardian against the demon of market deviations. From the anarchist point-of-view market relations are the basis of social inequality and therefore worker co-operatives must coordinate their activities based on the exchange of equal values and equal efforts without competition or market pricing. The state should have no role since it can only lead to authoritarian bureaucracy and the destruction of participatory democracy.

The essential problem for both these radical strains of thought is their one-sided approach that ignores the historic ties that bind together the state and market in a dialectical relationship. They resolve the contradiction by attempting to destroy either the market or the state, rather than understanding the transformation of both and their continuing linked relationship. Both the state and market have necessary economic functions and both present problems and dangers to equality and democracy. Their relationship is dialectical, interconnected and in permanent tension, as well as historically defined by the level of culture, education, technology and class relations. There can never be a permanent balance or equilibrium because the relationship shifts depending on the needs of society and the demands and level of organization of different class strata. In fact, a dynamic disequilibrium characterizes the relationship, while periods of stability and smooth economic growth should be understood as temporary

periods in which contradictions have yet to clearly manifest. Therefore those that make an eternal principal for the dominant role of a single social institution are not only idealistic in their concept of historical process, they also fail to understand the essence of politics is to accept the existence of contradictions and chart a course of progress that seeks to resolve them in a non-antagonistic manner.(Mao, 1977). It is noteworthy that I am using the term non-antagonistic contradictions not to argue for an absence of political struggle, but as contradictions to be solved among social class and forces whose common goals are to build a post-capitalist society.

Each society faces a whole set of economic tasks that continually change depending on the level of development in a variety of areas. For example, the state of the infrastructure, energy sources, schools, health services, information technologies and scientific research are always temporal questions of historic development. In each area the balance of responsibility, planning, funding and work needs to be resolved between the best mix of state and market mechanisms. In addition, as soon as any policy is implemented it changes the conditions that brought it into existence, therefore shifting the balance between the effectiveness of the market or state. On top of this process is a complex matrix of local, regional, national and global relationships, each embedded in the market/state dialectic. That is why policies tend to radiate through each of these interconnected levels with unforeseen consequences, sometimes with effective synergies, sometimes creating problems that create new conflicts and demands.

In building a post-capitalist society the key question becomes how can the market and state be used best to accomplish the social goals decided upon in the political process? In recognizing this we also acknowledge a shifting relationship and emphasis between the state and market that becomes reflected in political struggle and policy. The material and social interests of different class strata will tend to push political solutions that seek greater state control over the market or greater freedom for market forces. This is the central tension that needs to be accepted as a fundamental aspect of social reality and resolved through non-antagonistic democratic political struggle. Whether we use the Marxist terminology of socialism, the

environmental language of sustainability, or a different formulation, democracy needs to encompass the dialectical tension between the state and market and the social interest inherent in each. By recognizing both these aspects there exist the possibility that the market can limit tendencies toward an authoritarian bureaucracy and state corruption, and that the state can impose limits on market inequalities and prevent the destructive exploitation of labor and the environment.

The anarchist argument that the continued existence of the state *inherently* leads to corruption, or the Marxist argument that the continued existence of the market *inevitably* lead to capitalism, elevates historical determinism over human agency. But there is nothing inherent in the structure of the state or market that makes this historical fate, particularly so in post-capitalist society. They thereby abandon dialectics for dogmatism in their defense of ideology, making the suppression of the market or state a predetermined necessity outside of historic context. This leads to the distortion of dialectical democracy and the suppression of institutions and social interests that need to be part of an alternative capitalist society. Historically this path has led to conceiving socialism as the victory of one class, or one party, and the disjuncture of democracy from political practice.

David Schweickart has done some of the best current work on the relationship between the markets and state in post-capitalist society, or what he prefers to call “economic democracy.” Schweickart combines three essential elements; grassroots democracy through worker self-management, the flexibility and initiative of the market and the social control of investment through the use of national, regional and local levels of governmental banks. As the author argues, “Worker self-management extends democracy to the workplace. Apart from being good in itself, this extension of democracy aims at enhancing a firm’s internal efficiency. The market also aims at efficiency, and acts to counter the bureaucratic over centralization that plagued earlier forms of socialism IN Ghana and Tanzania. Social control of new investments is the counterfoil to the market, counteracting the instability and other irrational consequences of an overextended market—what Marx calls the “anarchy” of capitalist production.”

(Schweickart, 2002, 56-57) It is important to note that Schweickart doesn't abandon a role for the state, far from it. What he does accomplish is to conceive of an open relationship between the market and state mediated by a democratic political process.

If the dialectic between the state and market is characterized by dynamic disequilibrium so too is the dialectic between the state and civil society. The only way to contain this tension within the framework of non-antagonistic political struggle is with a flexible and plural democracy. Contradictions must be accepted as a normal functioning of political society in order to maintain social cohesion and prevent the suppression of differences through authoritarian use of state power.

An important lesson can be learned by looking to the American Revolution that enclosed state authority within the framework of institutional checks and balances that separated the three main branches of government into the presidency, the courts and congress. This was a historic political advance and has been a key element in maintaining constitutional democracy for over 200 years. While space was provided for public input through the Bill of Rights, society was structured as a representative democracy with real power always dominated by the elite. Nonetheless, the concept of checks and balances can be extended to include civil society through the formal inclusion of grassroots organizations in the decision making process that oversees social wealth and assets. Such an arrangement will extend the space for democracy and create autonomist centers of power. Political struggle over policy direction would certainly take place within these institutions as well as between these institutions and the state, extending the field of political competition. Creating plural political territory can also help avoid the stagnation of ideologies that become trapped in the justification of privilege or cornered by a pope or chairman. The key is to give institutional expression to civil society in the praxis of power. This concept of checks and balances can also be applied to the relationship between the state and market.

By expanding democratic space we open the possibilities for a Gramscian (1971) war of position and a transitional period in which oppositional forces can progressively develop institutional power. This

would happen in both the political and economic realm, locally as well as globally. The struggle for a new society not only begins in the space of the old, but also continues to consolidate and expand in building the new. Revolutions are too often seen as a total break from the past. Both the French Revolution and Pol Pot in Cambodia officially reset the calendar to Year One thinking to immediately recreate their worlds. But new class relations need time to take hold and create forms of cultural hegemony that permeate all social relations. Capitalism didn't consolidate its social structures until after World War I and the fall of the Russian Czar, Ottoman Empire, Austrian-Hungarian King and German Kaiser. Even after such tremendous upheavals the codification in laws, habits and culture of capitalist relations took years to fully develop. The same should be expected in post-capitalist African societies. Social transitions take time, even when punctuated by wars or revolutions. With this context in mind, we see Gramsci's emphasis on wars of position rooted in the historic material process of change, a surer foundation for revolutionary transformation.

Typologies of Neoliberal Democracies in Africa

Many Westerners trust that unleashed markets and universal suffrage in Africa, like elsewhere, will yield general material betterment, domestic tranquility, and amity among democracies old and new. Thus Thomas Friedman could proclaim boldfaced that a "Golden Arches Theory of Conflict Prevention", asserting as well that "no two countries that both have McDonalds have ever fought a war against each other". This does not hold true in the case of Africa.

Freer markets and oxygenated "democracy" has instead defied established expectations by mobilizing the wrath of most Africans. Open markets and popular incitement sometimes kindle backlash and serve to excuse suppression by the few. That is, when injudiciously introduced, as most often happens in Africa, wide open markets and hot-housed majoritarianism form a principal, aggravating cause of group hatred and ethnic violence throughout Africa.

That is the dynamic of what augurs ill for stability, not to mention peace, in the continent. To situate this dynamic early and with

characteristic clarity, when free market democracy is pursued in the presence of a market-dominant minority, the almost invariable result is backlash. This backlash typically takes one of three forms. The first is a backlash against markets, targeting the market-dominant minority's wealth. The second is a backlash against democracy by forces favorable to the market-dominant minority. The third is violence, sometimes genocidal, directed against the market-dominant minority itself.

Here lie the ethnic underpinnings of neoliberal democratic politics in Africa. Ethnicity here invites characterization. The concept enjoys quite a wide scope in the present context. Identification with a group transcending primary face-to-face relationships keys a shifting and highly malleable sense of belonging to a kinship web projected over time and across space. Physical differences, geographic origin, linguistic, religious or alternative cultural lines may mark this identity in deeply divided African societies.

Examples of Africa's ethnic market-dominant minorities include Ibos, Kikuyus, Tutsis, Indians and Lebanese, among others, in Africa. Numerically preponderant "indigenous" peoples likewise take on distinct ethnic identities. Their persistent poverty relative to the conspicuous enrichment of others, indignities on a grand scale and in interpersonal relations, and the apparent prospect of instant change, when aroused by electoral encouragement to popular participation and heralded by a charismatic leader, provide conditions apt to trigger confrontation like in Egypt and Tunisia. It should be noted that ballot boxes brought Hitler to power in Germany, Mugabe to power in Zimbabwe, Milosevic to power in Serbia—and could well bring the likes of late Osama bin Laden to power in Saudi Arabia.

Still in the case of Africa, most new electoral regimes are quickly drifting back toward either "electoral neo-authoritarianism" "gangster democracy", "riotous democracy", "armored democracy" or "predatory democracy". **"Electoral neo-authoritarianism"** is different from the old authoritarianism since there are elections, some individual rights, but not affecting the patterns and structures of power and decision making. Cases such as Nigeria, Ghana, Cameroon, Kenya, and so on, are not in limited supply.

I have used “**armored democracy**” here to depict a system that grants continuing military power in the civilian government, a fact expressed in the Kagame regime in Rwanda. With Kagame himself as head of the armed forces, no decision can be made without the approval of his military. It is the same with Yoweri Museveni’s Uganda. In any “armored democracy” there is a civilian rule merely a cover for institutionalizing the military’s political dominance by ensuring that there is no constitutional commitment to secularism, the practice of secularism in coming increasingly under attack. In the quest for electoral advantage, the dominant ruling clique, makes a series of choices that compromise secular ethos. These choices enable the explicitly de facto anti-secular Party to dramatically expand its political base through the pursuit of a blatantly anti-secular and “majoritarian” political agenda.

“**Riotous democracy**” is an offshoot of crony capitalism. Crony capitalism greased with corruption, wrapped in an escalating conflation of both the nation and the state with the ruling party and defended with growing authoritarianism—can work well enough for capital. In fact, international capital often finds authoritarian states to be its most attractive destinations for investment. And it’s not unusual for the middle classes to be quite comfortable with forms of authoritarianism that restrict the basic democratic rights of the popular classes in defense of the domination of society by an alliance between business and political elites—after all, just look at how many Africans think Dubai is a great place to live. The reason is that capital is not only comfortable with the sort of efficient party-state machine that rules China. Other, and altogether messier, forms of authoritarianism more dependent on popular participation can do just as well.

Most of the riots in contemporary South Africa are, more or less, what the French philosopher Alain Badiou calls immediate riots—located in the territory of the rioters, aimed at local symbols of power and often inspired by seeing similar action elsewhere on television. These riots usually burn themselves out after a few days and leave little in the way of sustained organization or the generation of emancipatory ideas that can attain wider traction. But with the pace at which popular protest is escalating, and the increasing tendency for it to become

riotous, it is not impossible that we may reach a point at which we begin to see what Badiou calls historical riots –riots that occupy a central space, forge direct connections between people from different areas and carry a clear and compelling demand onto the national stage.

A state confronted by the degree of popular protests that seen in South Africa has a fairly standard set of choices. It can make carefully calibrated reforms, it can try to repress dissent with violence - be it the vertical use of armed force by the police and the army or the mobilization of horizontal violence through party structures, it can try and contain popular dissent spatially and ideologically, it can try to co-opt its leading figures into the party, state or NGOs, it can try to bring popular mobilization into bureaucratic processes and it can try to capture popular anger and redirect it against a vulnerable scapegoat. Elements of all of these strategies have already been seen in South Africa but while they've had local success they have not halted the rising tide of protest as a general phenomenon. As it exhausts itself, is co-opted or beaten into submission in one area it appears somewhere else. It seems likely that mass protest, much of it disruptive, some of it riotous, is going to be with South Africa until the mirage of neoliberal democracy is undone in order to contain popular dissent more effectively or popular dissent finds more effective ways to use democracy to overcome the politics of contempt—the transit camps, mud schools, bucket toilets, systemic unemployment, poverty wages, torture and all the rest—that the ANC has carried over from colonialism/apartheid and into the new order.

This reality is required to address the question of the character of popular protest in South Africa. There's no doubt that some popular action undertaken outside of the law and authorized institutions is, like xenophobic, homophobic and gendered violence—including rape and witch burning, as well as some forms of vigilantism, horrific. These kinds of actions could be drawn into a vastly more dangerous mode of authoritarian populism than that to which we are currently subjected. And there are certainly cases where popular anger is captured by opportunists and demagogues of various kinds. In some instances this brings popular politics firmly into the realm of clientalist politics organized around struggles for power within the ruling party, which,

while it can grant certain rewards for fealty, imposes very narrow limitations on the horizon of what is politically possible.

But it is also clear that popular protest is often directed towards urgent and entirely just aspirations—some research shows land and housing to be the two most common demands. It is equally clear that protest often emerges from democratic or at least consultative processes in which it is not unusual for women to take important roles and that it is often legitimated by a moral economy rooted in a conception of dignity that insists that it is unacceptable for people to be treated as animals, children or, in a troubling formulation, foreigners. When this moral economy doesn't collapse into a narrow conception of belonging it speaks to a deeper conception of equality and democracy than those that are currently available via authorized modes of politics and has been, and could continue to be, the basis for emancipatory action. Moreover all sorts of material and political victories, usually at the local level, have been won through protest. At the national level, sustained protest has made it quite clear to a range of constituencies that business as usual is simply not viable and that something needs to shift.

But, with notable exceptions, the discussion about popular protest in the elite public sphere is seldom rational or rooted in a solid grasp of its realities. Across space and time elites have frequently presented popular dissent as *a priori* irrational, violent, consequent to malevolent conspiracy and even monstrous with little regard to the actual realities of the particular events in question. Contemporary South Africa is no exception. Experts and authorized representatives of elite organizations are often given much more access to voice in discussions about protests than people organizing and participating in protests. Most reporting simply assumes that popular protest, particularly if it involves disruption or damage to property, is violent even when it is plainly not. Police violence, on the other hand, is normalized to the point where even in cases where the only violence has come from the police it is the protesters that are likely to be reported as violent. Much of the early coverage of the Marikana massacre was simply disgraceful and gave a fresh charge to Karl Marx's observation, back in 1871, that "The civilization and justice of bourgeois order comes out in its lurid

light whenever the slaves and drudges of that order rise up against their masters.” Engaging popular protest rationally will require a lot more careful listening, a lot more sustained presence amongst the people organizing this ferment, a lot more attention to the particularities of each protest and a lot less recourse to easy assumptions and pernicious stereotypes.

“**Gangster democracy**” has been traditionally defined in relation to the notions of political power and participation in the processes of governing. Gangsterism (social predation) as an attitude and a method is as old as humanity. Current knowledge about the gangster system seems to be based mostly on literature about the Sicilian mafia-societies in which plunder and piracy are common, and whose very existence depends on a constant state of war.

The ruling government can often justify hard methods of control by an appeal to law or legal process, whether on the books or yet to be enacted. Neither the use of such measures by governments, nor their use by groups to advance their special interests, signifies the emergence of systemic gangsterism. More is required, including the legitimation of governmental reliance on such methods of societal regulation and the emergence of societally oriented groups who operate beyond the limits of institutional politics. These conditions seem to be ripening within African “democratic” societies.

Kleptocratic tribalocracy—a system of rule whereby greedy and grabby ethnics claw tenaciously to the reigns of lucrative positions in government by stealing public funds, rigging elections, manipulating the media, using heartless repressive methods and bribery to impose themselves on the populace.

Predator Democracies assume that the purpose of governance is the most efficient allocation of loot in Africa. They use the smallest and shortest-lived majority to capture and allocate the greatest quantity of spoils. That explains why they cannibalize African nation states. But they are devastatingly efficient in kleptocracy, seeing politics as a gateway to wealth. “Democracy” in Greek means “rule by the people” not “rule by the majority,” so democracy presupposes among a nation’s citizens that they will be patriotically willing to sacrifice for the good of all by learning to compromise, to be good losers, to rule

honestly, and so forth. When confronted by African people suffering and dying under Predator Democracies in Kenya or Nigeria, most Western pro-democracy ideologues make little tut-tutting sounds, nod in what looks like sincerity and condescendingly tell Africans that it will take some time for all those supposedly backward brown and black people to advance to their present magnificent condition. They ignore a distinct possibility that African countries are earlier on the evolutionary chain, while Predator Democracies are a Western creation and determination in Africa. In fact, former UN Secretary General Kofi Annan was right in pointing out that the neoliberalized African continent suffers from a “leadership deficit” in an African forum-Africa: ‘new dawn’ despite ‘predatory elites’? *Source:www.demdigest.net/blog/.../afria-new-dawn-despite-predatory-elites/*, accessed 03/29/13. The leaders are not motivated by principle, ideology or the general interest. Indeed, their objective is to generate income and other benefits for themselves and their supporters rather than to manage a whole African society.

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Toward an African Democracy?

Overview

In the 1970s and 1980s, what the political scientist Samuel Huntington called the “third wave” of global democratization led to breathtaking political changes in Latin America, parts of Asia, sub-Saharan Africa, and eventually Eastern Europe. Freedom was on the march almost everywhere—except for the Middle East. As popular jubilations swept across Africa in the 1990s, many policymakers and analysts were hopeful that pro-democracy movements would usher in a new era for the continent. The initial results of the jubilations were indeed inspiring. But, since then, the prospects for further democratization have dimmed. In the wake of the pro-democracy earthquakes, many local regimes remained weak and unable to establish true law and order. The demise of African authoritarianism may come eventually. But there is little reason to think that day is near, and even less reason to think that the United States and its Western allies can significantly increase its chances of happening. The United States and its allies seek to protect their vital strategic interests in Africa—balancing against rogue/failed states, ensuring access to energy resources, land grabs and raw materials and countering violent extremists. Achieving these goals will require working with some authoritarian governments and accepting Africa for what it is today. A democracy culturally sensitive to African realities, not the interest of Western corporate capital, is the only solution.

Introduction

Members of the Africa Faith and Justice Network (AFJN) adopted the following principles regarding democracy in Africa at their annual meeting in Washington, D.C., in October 1993 (excerpts):

- “Africans need to define for themselves the meaning of democracy in their own historical and cultural contexts, drawing on

their participatory traditions and the experience of democratic societies elsewhere.”

- “Free-market capitalism and multi-party systems are not synonymous with democracy.”

- “Grassroots popular movements offer new hope for truly democratic structures in Africa.”

- “Respect for human, social, and economic rights as well as civil rights is essential if democracy is to take hold in Africa, for democracy cannot survive in a context of stark polarization between rich and poor.”

- “Economic development and an equitable distribution of resources must go hand-in-hand with the emergence of more democratic structures.”

- “In brokering negotiations between contending parties, the Church must speak on behalf of the poor and marginalized.”

AFJN committed itself to support the move toward democracy in Africa by:

- “Listening to and giving voice to African peoples in our common struggle for democracy.”

- “Supporting networks between Africans and with North Americans in their struggle for justice in Africa.”

- “Working with others to influence U.S. legislative initiatives supportive of African-defined democratic structures.”

- “Fostering reflection on and articulation of a theology of democracy within the context of African countries.”

Most Africans are increasingly realizing that the Western model of political democracy is extremely too narrow and even alien to African cultures. “Democracy is not merely the right to vote and seize power,” the Rev. Jose Belo Chipenda, General Secretary, All Africa Conference of Churches (AACC) said. “It is about a whole complex of rights and duties which citizens must exercise if a government is to be open, accountable, and participatory.” Africans like Chipenda find that Western-style democracy “places people into artificial antagonistic boxes, turns friends into enemies, and aims at arousing unnecessary competition.” (See excerpts from Chipenda’s speech to the AACC’s 119th General Assembly. But there are many illusions to be dispelled

to enable the evolution of African democracy, one that is culturally sensitive to the continent's heritage and history.

Dispelling Globalization's Illusions

Talking about African democracy challenges scholars to take a hard look at political institutions and philosophies that are too often taken for granted as the way-things-must-be in the continent. Historical democracy has never been part of capitalism. There is no organic or pre- given link between democracy and capitalism. In fact, modern democracy grew out of popular struggles alongside the development of capitalism. This is the case particularly in South Africa as well. Apartheid capitalism never gave South Africans democracy. Rather, the South African people (the workers and the poor peasants) struggled for it, losing life and limb. It is a product of sacrifice, of human will and a passion for liberation from oppression. Their democracy is precious because it is essentially about rule by and for the people. It is not about rule by capital.

The dynamics of international politics have witnessed the efforts of the nation-states to evolve different forms of political rule suitable and congruent to their particular needs. Each form of political system has been underlined by a particular socio-cultural logic and identified by certain distinctive features. Since the 20th century, the democratic system has been perceived as a desirable and viable means of governance and has been increasingly espoused by a large number of states across the world. A democratic form of government facilitates the attainment of suitable levels of economic development while ensuring the incorporation of voices of the empowered people in the decision-making process. In contemporary politics, democratization has been considered a *sine-qua-non* of political maturity and modernization. However, the process of democratization involves not just the transition to democracy but also its subsequent consolidation. While scholars across the world have deliberated on the requisites of accomplishing democratization, most concede that the process has encountered additional difficulties in the post-colonial societies. The challenges have prevented the democracies to gain strong roots,

thereby allowing non-democratic elements to intermittently hold sway in this era of neoliberal globalization.

Globalization is an umbrella term for a complex series of economic, social, technological, cultural and political changes seen as increasing interdependence, integration and interaction between people and companies in disparate locations. As a term ‘globalization’ has been used as early as 1944 but economists began applying it around 1981. Theodore Levitt is usually credited with its coining through the article he wrote in 1983 for the Harvard Business Review entitled “Globalization of Markets”. The more encompassing phenomenon has been perceived in the context of sociological study on a worldwide scale. The concept has been referred to as the shrinking of time and space.

Globalization means a process of increasing international division of labor and the accompanying integration of national economies through trade in goods and services, cross-border corporate investments, and financial flows. This integration is boosted by technological progress, in particular in transport and communications. However, there is more to globalization than mere economics: globalization also means the free exchange of thoughts and ideas, and greater mobility of people. This is not something that is imposed upon us, but the result of forces for change that are deeply rooted in human nature: the drive for freedom and a better life, for new discoveries, and for a broader horizon.

Globalization is a relatively new term used to describe a very old process. It is a historical process that began with our human ancestors moving out of Africa to spread all over the globe. In the millennia that have followed, distance has been largely overcome and human-made barriers lowered or removed to facilitate the exchange of goods and ideas. Propelled by the desire to improve one’s life and helped along by technology, both the interconnectedness and interdependence have grown. Globalization has set in motion a process of far-reaching change that is affecting everyone. New technology, supported by more open policies, has created a world more interconnected than ever before. This spans not only growing interdependence in economic relations – trade, investment, finance and the organization of

production globally – but also social and political interaction among organizations and individuals across the world. The potential for good is immense. The growing interconnectivity among people across the world is nurturing the realization that we are all part of a global community. This nascent sense of interdependence, commitment to shared universal values, and solidarity among peoples across the world can be channeled to build enlightened and democratic global governance in the interests of all. The global market economy has demonstrated great productive capacity. Wisely managed, it can deliver unprecedented material progress, generate more productive and better jobs for all, and contribute significantly to reducing world poverty.

Globalization has set in motion a process of far-reaching change that is affecting everyone. New technology, supported by more open policies, has created a world more interconnected than ever before. This spans not only growing interdependence in economic relations—trade, investment, finance and the organization of production globally—but also social and political interaction among organizations and individuals across the world. The potential for good is immense. The growing interconnectivity among people across the world is nurturing the realization that we are all part of a global community. This nascent sense of interdependence, commitment to shared universal values, and solidarity among peoples across the world can be channeled to build enlightened and democratic global governance in the interests of all. The global market economy has demonstrated great productive capacity. Wisely managed, it can deliver unprecedented material progress, generate more productive and better jobs for all, and contribute significantly to reducing world poverty.

But we also see how far short we still are from realizing this potential. The current process of globalization is generating unbalanced outcomes, both between and within countries. Wealth is being created, but too many countries and people are not sharing in its benefits. They also have little or no voice in shaping the process. Seen through the eyes of the vast majority of women and men, globalization has not met their simple and legitimate aspirations for decent jobs and a better future for their children. Many of them live in the limbo of the informal economy without formal rights and in a swathe of poor

countries that subsist precariously on the margins of the global economy. Even in economically successful countries some workers and communities have been adversely affected by globalization. Meanwhile the revolution in global communications heightens awareness of these disparities.

Will globalization bring democracy and the development and implementation of a human rights agenda and social justice to countries around the world? Will globalization enhance or lead to the deterioration of individual rights? Howard-Hassman (2004:1) presents globalization as “the second great transformation spreading capitalism over the world.” In this context, capitalism is viewed as an essential variable that may lead to a democratic state, which in turn may result in a society in which human rights are an essential part of the same. While the latter is “the best political system to protect human rights”, it is also argued that although globalization may negatively impact a country in the short-run, its mid- to long-term effects will be positive and will result in “greater moves to democracy, economic distribution, the rule of law, and the promotion of social and civil rights” But is this or will this be the reality for the vast majority of the world’s impoverished nations like those in Africa?

Indeed, since coming to the fore as one of the most talked-about issues of the late twentieth century and the new millennium, the phenomenon of globalization has captured world attention in various ways. From the information superhighway to the international trade in drugs and arms, to the phenomenal impact of MacWorld, Nike and the global media, the subject of globalization has come to concern all and sundry. At the core of most discussions of this issue are the extraordinary explosion of both technology and information, in ways that have considerably reduced the twin concepts of time and space. In particular, information and communications technology (ICT) has emerged as perhaps the most dominant force in the global system of production, albeit with significant ramifications in all other spheres of contemporary human existence.

Nationalism and Democracy as Self Determination

Used clumsily, historical hindsight can be a blunt and savage thing. Nevertheless, some reflections on the political values that accompany horizontal decision-making in traditional Africa before colonialism would be instructive here to cement the way forward for the radical path to democracy for the continent:

1. Horizontal decision-making practices should not just be procedures. Indeed, they should serve as the building blocks of an alternative form of governance in the making. It is therefore very important that the meetings for decision making are as inclusive as possible, as functional as possible and, perhaps most importantly, as empowering as possible. Women must participate in decision making as men.

2. Horizontal decision-making should rest on a transformation in the way people think about gender 'equality' and how it is created. The starting assumption is that full equality between all participants cannot exist naturally, and therefore structures and procedures are needed in order to continuously challenge hierarchies as they arise—whether they are based on gender, sex, clan, class, ethnicity, education, skill, job, ability to express oneself, or inter-personal power dynamics based on past interactions. In this model of thinking, equality is not something that could be declared and then forgotten about as in: 'all men are created equal', but is something that has to be continuously created and worked on.

3. In order to ensure that equality is increased between people from different backgrounds, the differences between people need to have room for expression. The aim of decision-making cannot be to create the one best solution that is enforced on everyone. Unity of thought, of action, of identity makes this type of equality impossible. This is why one of the key values underlying decision-making in the horizontal democracy system is 'diversity', not uniformity. Diversity is a rejection of unity as the guiding principle of cooperation. What diversity means in this case is not that everyone is different, but that these differences are taken seriously and translated into the outcomes of the decision-making process. There is very little political power in

giving each person equal input into a decision if the outcome of the decision only represents the concerns of one group of people (as in a winner-takes-all voting system imposed by colonialism and its contemporary errand boys in Africa). This multiple outcomes approach, however, requires that people realize that they have the option to act autonomously. This means that if they do not agree with a decision taken, they do not have to implement it and they can do something else according to the articulated interests of either their in-group or profession.

4. Autonomy between participants is essential to keep the 'general assembly' for decision making from becoming a source of centralized and hierarchical power. If equal outcomes are multiple outcomes then the best suited political structure for horizontality is a structure that allows for multiple, separate groups of people to coordinate with only limited unity of purpose. Decentralized network structures are ideal for this system. People align themselves based on any number of different interests and only come together with people who share different interests or activities in order to a) communicate about what they are doing and to hear about what others are doing, b) to coordinate their activities when necessary, and c) for decisions that will affect everyone. Autonomy/decentralization is necessary to embrace diversity and diversity is necessary for equality in this horizontal decision making system.

Three crucial practices shape this organic struggle for horizontal African democracy from below as self-determination. First, emphasis on developing a bottom-up democratic practice in which capacity for autonomous action is built among grass-roots movements and communities. This includes the fact that solidarities emerging in these struggles express unity as an anti-corporate capitalist front, but one that values plurality. Second, democratic practices are about advancing transformative alternatives from below. Such alternatives include integrated public transport, ecologically designed and affordable housing, climate jobs, food sovereignty and the solidarity economy. Finally, democratic practice is about reclaiming a vision of hope and dignity for Africa. It is about a people-driven vision, which recognizes that human beings, not just in Africa but the world over, desire

something different and hope for more. Such acts of collective imagining exist outside capitalism and are acts of resistance.

The subject of nationalism is extremely complex, not the least because of the many different sources and manifestations of the phenomenon. This chapter starts by dealing essentially with certain contemporary forms of nationalism which have emerged or intensified in Africa. In order to place this discussion in perspective, a brief background of the historical experience is provided at the outset as well as a consideration of some of the basic concepts relating to this phenomenon. As the ensuing discussion will show, it is almost impossible to come up with a uniform definition of nationalism. In its historical context, it is an ideological movement aimed at attaining and maintaining the identity, unity (through social cohesion) and autonomy (through national self-determination) of a “nation,” or peoples united under a “national” banner (Smith, 1991: 74-76).

In other words, it is the most potent ideology in nation state building and consolidation. However, as we will seek to illustrate, nationalism, particularly in the contemporary era, has also been a vehicle for disaffected ethnic or cultural communities to voice their dissatisfaction with the status quo. The sources of discontent may be related to a variety of factors such as denial of cultural identity, political discrimination, repression, or economic deprivation. In these cases, it is a movement of minority groups which springs up in reaction to the policies or performance of the central state. At other times, it is a counter-reaction, either on the part of the political authorities, or of threatened social groups, in response to the political authorities, and therefore embodies different objectives. But in most cases, the central state, whether directly or indirectly, plays a key role in manipulating or being the target of nationalist sentiments.

Hence, in this chapter, nationalism has a broad meaning ranging from being the defining ideology of political movements seeking some form of autonomy or independent statehood; of groups striving to achieve or to improve their cultural, political, social and economic rights within a given state; of protest movements on the part of communities threatened by either state policies or by other social groups; to the core ideology employed by the state to galvanize public

support for its policies or to reaffirm its legitimacy. The typology offered attempts to distinguish between these various contemporary manifestations of nationalist sentiment and discusses their impact on democracy as a means of distinguishing between the progressive and reactionary forms of nationalism. To understand the contemporary forms of nationalism, it is useful to keep in mind the paradoxical goals which this ideology has served in the historical process of nation state building.

The aftermath of the decolonization process and the creation of nation states in Asia, Africa, the Caribbean and the Pacific after 1945 followed a similar pattern. Those states which achieved their independence through the principle of self-determination held the view that a broader definition of the concept could become counterproductive. Indeed, given that an ethnic redrawing of the African political map would give birth to over 300 new states, the OAU adopted, on the eve of its creation in 1963, the binding principle of *Uri Possidetis*, namely, implicit respect for existing boundaries, in a separate resolution from its Charter. Consequently, members of the OAU have been largely faithful to the policy of not granting assistance to secessionist movements in Black Africa, a prominent illustration being their refrain from providing support to the Biafran movement during the Nigerian civil war. Consequently, although during the 20th century, many wars of national liberation were fought over the alleged denial of the right to national self determination to groups which felt themselves disenfranchised within the existing state structure, few succeeded in attaining sovereign statehood (Mayall, 1990, p. 42).

Hence the paradoxical qualities of nationalism in its modern historical expression reside in the fact that it has served several conflicting purposes. It has acted as the principal ideology which enabled African nation states to seek self-determination and political statehood. It also provided the subsequently created states with the ideological justification for holding "the nation" together. And third, it has enabled dissatisfied minority or ethnic groups within the African nation states to challenge state authority by questioning its claim to legitimacy which, in a democratic system, formally rests on the doctrine of self-determination and popular sovereignty. Hence,

nationalism, in this sense, has ironically contributed to the formation and survival as well as to the dismemberment of nation states like the Sudan or Ethiopian Empire in Africa. The phenomenon of nationalism thus bears closely upon such political concepts as the right to self-determination, rights of national and ethnic minorities, the concept of a nation, the nation state, national sovereignty, territorial integrity (unity/ inviolability/indivisibility), the unitary state and democracy.

However, advances in the field of democracy and fundamental freedoms over the last couple of decades, accompanied by the growing consensus that the use of force is neither desirable nor effective in stifling aspirations for democratic self-determination in Africa, have led to situations where conflicts between the concept of self-determination and the unitary state have become increasingly more difficult to resolve. The experience of Somalia/Somaliland, Southern Cameroons, for example, has demonstrated that separatist pressures can no longer be regarded as strictly internal affairs, especially since the resistance to their struggle has had the effect of invalidating the fundamental assumption linking territorial inviolability - and, implicitly, the denial of self-determination - to international peace and stability. Consequently, the human rights performance of a state, including its treatment of its minorities, is steadily becoming a matter of legitimate international concern. Embodied in this attitude is the developing consensus, strengthened since the Gulf war experience, that state sovereignty can no longer provide governments immunity in cases of violations of human rights, particularly in its repression of its minorities.

Another related issue is the changed world environment since the end of the cold war in Europe. Whereas before the cause of ethnic minorities was often exploited by the superpowers or their allies as a way of obtaining geopolitical leverage (e.g., French support to the Biafran rebellion in the 1960/70s), the removal of the cold war context, together with the growing intensity of independence movements, has generated a serious reconsideration of the legal foundations and ethical implications of a denial of legitimate aspirations for political and territorial autonomy. This is where democracy as self-determination takes root.

Nationalism and Democracy

It would appear, at first sight that the correlation between these two processes is sometimes of a causal nature. That is to say that in some cases, nationalism is the manifestation of democratic pluralism taken to its extreme in the negative sense, by leading to intolerance and exclusivity. Conversely, in other cases, nationalism is the expression of social opposition to the lack of, or insufficient forms of, democracy. Looking at the recent experience of the former socialist countries, however, one is tempted to speculate that it is more the rapid and radical transition from totalitarian to democratic rule, rather than the switch to democracy itself, which has unleashed the forces of nationalism. One may then conclude that nationalism can spawn or stifle democracy, depending on whether it takes a fundamentally progressive or reactionary form.

An example of progressive nationalism is that which developed in the East European countries during the time of Soviet domination, when “nationalism became the common denominator of East European resistance to communism” (Ekiert, 1991, p. 290). The nationalism of Konan Bedie in Cote D’Ivoire, on the other hand, is qualified as reactionary because it was used as an instrument of exclusion, destruction and oppression.

A nuanced comparison can also be made about the relationship between the two processes in Western Europe, where an advanced state of democracy has also provided the context within which extremist nationalist forces have been able to express themselves. The manifestation of ultra-right-wing sentiments in Western Europe could, in turn, have the effect of undermining democratic principles in the long run by forcing mainstream parties to pander more to populist policies. More serious perhaps, is the situation in the post-single-party cum military dictatorships in Africa. Where there are economic grievances and undeveloped democratic institutions, as in the case of most of the African countries, processes of democratization and pluralism can initially fuel populist, chauvinist, nationalist, parochial and ethno-centric trends. As in Mali, for instance, where the fall of military dictatorship did not usher in a democratic order. Instead, it

gave way to populist Tuareg ethno-nationalism. In Egypt, the collapse of the Mubarak dictatorship instead gave way to the religious fundamentalism of the Muslim Brotherhood, not democracy.

Indeed, in societies just emerging from totalitarian rule, processes of democratization can act as a vehicle for the flourishing of nationalism or separatism - or the free expression of particularisms - because they encourage ethnic self-consciousness which, in turn, threatens to overwhelm democracy by encouraging conflict and violence. Paradoxically, therefore, pluralistic revolutions can in certain circumstances (in this case, as a counter-effect to totalitarianism) reignite explosive national conflicts and fuel anti-pluralist tendencies.

The economic component becomes a critical factor in the success of the transition process. The destructive impact of the economic crisis in some countries of Eastern Europe and the former Soviet Union is said to be undermining stable democratization by unleashing disintegrative energies and by providing implicit support for anti-reformist forces (Nakarada, 1991). In a situation where a major incentive for rejecting communism came from its inability to provide the economic prosperity enjoyed in the West, and where people long accustomed to the notion of social welfare see their lives made worse by the new freedoms, the nationalist backlash will continue to grow. If the former Soviet Union's experiment with democracy collapses with economic ruin, it is quite possible that right-wing populists will be there promising a return to order and stability in exchange for political freedoms.

In fact, studies of transition from authoritarianism to democracy in Latin America and Southern Europe suggest that "a rapid decomposition of state power, especially when aggravated by serious economic decline, is hardly conducive for the establishment of viable democratic regimes." This claim seems to be borne out by the current situation in Eastern and Central Europe, where "the rapid disintegration of party-states [has] produced a power vacuum which has been hastily permeated by highly fragmented political forces... prone to radicalization not only around political and economic issues, but also around ethnic and religious cleavages." Hence, some argue that "the tasks facing new democratically elected governments are so

drastic that some form of coercive policies may be necessary in order to accomplish a fundamental restructuring of political and economic systems” (Ekiert, 1991: 288 & 312).

Another inherent danger contained in the transition to a democratic system, particularly in heterogeneous societies, concerns the rights of minorities. While democracy is based on majority rule, it also implies respect for the rights and interests of minority groups. It is the lack of sufficient constitutional guarantees for minority rights, combined with discrepancies in economic conditions between different regions and ethnic groups, which has been one of the principal causes of inter-ethnic tensions within and between states. While an advanced democratic system may eventually achieve some form of social, economic and political equilibrium between majority and minority ethnic interests, this may be extremely difficult to attain at the early stages of democratic institution-building. In such a situation, political freedoms might actually be used on the part of the majority as a pretext to vent ethnic or cultural prejudice - and hence, to curtail the freedom of minority groups, a development which may eventually provoke a counter-nationalist backlash - rather than to institutionalize political and cultural pluralism.

In fact, aspects of such a development can be witnessed in certain republics of Africa where the transition to democratic rule has paradoxically been accompanied by a drive to create “ethnically pure” states. Proposals to grant citizenship on the basis of ethnic criteria have been advanced in Nigeria as well as in the relatively democratically more advanced Senegal where the military has never established itself as a system of rulership in the republic. In witnessing such developments, one cannot help recalling Hannah Arendt’s observation, made in *The Origins of Totalitarianism*, that the road to ethnic purification was one that led directly toward totalitarianism. However, a more optimistic rejoinder might attribute such tendencies to the counter-effects of totalitarianism and to the undeveloped state of democratic institutions. It might argue that young democracies take a while to be nurtured; that they cannot simply be ordained.

Globalization: Reality and Fiction in Africa

One of the standard arguments of neoliberal ideologues and policy-makers in Latin America is that the unprecedented novelty brought about by globalization has suddenly put an end to ancient public policy paradigms and old ways of thinking on economic issues. Keynesianism is dead, and so are “developmentalism” (the intellectual child of Raúl Presbisch and the Economic Commission of Latin America, Cepal) and the socialist “central planning”. The “only game in town,” we are told, is neoliberalism. “Outside globalization”, a prominent former British Prime Minister, Margaret Thatcher said, “there is no salvation; within globalization there is no alternative.”

Yet, a careful inspection of the historical record shows that globalization is far from being a novelty in this African part of the world. As a matter of fact since their violent incorporation into the expanding world-economy, with the “discovery and conquest” of the Americas started in 1492, the aboriginal peoples of Latin America and the Caribbean painfully learnt that capitalism is a global system, and that as such it can coexist and coalesce for centuries with slavery and servitude. The human cost of this early insertion into the capitalist global markets was the radical decimation of the pre-Colombian population from some 50 million to barely 6 million a century and a half later on as well as turning the whole continent of Africa into a violent hunting ground for black skins for slaves.

This historical fact is one of the reasons by which Marx and Engels wrote, in one of the most celebrated passages of the *Communist Manifesto*, that “(t)he need of a constantly expanding market for its products chases the bourgeoisie over the entire surface of the globe. ... The bourgeoisie has, through its exploitation of the world market, given a cosmopolitan character to production and consumption in every country. ... All old-established national industries have been destroyed or are daily being destroyed... by industries that no longer work up indigenous raw material, by raw material drawn from the remotest zones; industries whose products are consumed, not only at home, but in every quarter of the globe. In place of the old wants, satisfied by the production of the country, we find new wants,

requiring for their satisfaction the products of distant lands and climes” (Mark & Engels, 1972: 88).

Beyond the debates that may arise regarding Marx and Engels’ specific interpretation on the course of capitalist development, the fact is that the above mentioned passage from the Communist Manifesto shows an astounding accuracy at the time of describing the main features of global capitalism at the end of the XIXth century. Globalization that in contemporary neoliberal hermeneutics appears as the “great novelty” of our time had already been observed and its main trends anticipated with breathtaking precision by mid nineteenth century. Moreover, outside the socialist tradition there were also signs - albeit much less distinct - that the “founding fathers” of classic political economy, Adam Smith and David Ricardo, were also aware of the globalizing trends inherent to the capitalist mode of production.

What is the meaning of all this? That the rhetoric of globalization or, perhaps better, the “mythology” of globalization severely distorts the facts by presenting a secular built-in tendency of capitalism as if it were an unprecedented and unexpected outcome of blind and impersonal forces, the “natural secretion” of an international economic order without structures, classes, interests and national asymmetries in front of which the only possible response is the sort of passive submission which men adopt in front of the destructive forces of mother nature.

Globalization: The Old and the New

It is necessary, therefore, to distinguish myths from realities. In the prevailing neoliberal discourse on globalization and market-driven democracy in Africa there is much more of an apologetic fantasy than a sober, objective, assessment of “really existing” capitalist societies. The conventional vision of the phenomenon, extraordinarily disseminated through the mass-media, promotes a conformist image of globalization that is highly functional to the needs of neoliberalism and the global dominant classes. Yet, the former does not imply to deny the existence of three novel developments in the present stage of capitalist development:

(a) on the one hand, the dizzy *mondialisation* of financial flows -that have grown much more than the increase of economic output, trade or foreign investment - and the universalization of audiovisual images, two processes almost completely controlled by a handful of huge oligopolies operating on a global scale. The consequence of this double process has been a growing economic and cultural homogenization - the Washington Consensus plus cultural “macdonaldization” - where the interests and value of the dominant classes world-wide have achieved an unprecedented supremacy in the history of mankind. Financial flows that in the aftermath of World War II represented no more than five times the size of the world trade today represent more than five hundred times the volumes of the world trade today represent more than five hundred times the volumes of the world trade. In the case of the financial flows from the United States to Latin American and the Caribbean it is worth-while to note that almost half of all that goes to Bermudas, the Cayman Islands and a few other tax shelters in the Caribbean, certainly areas not distinguished by their performance as manufacturers or technological innovations in high-tech productive process. Moreover, it is estimated that some 95 percent of all the financial flows that today cross the world in all directions are purely speculative, unrelated to the real economy and, needless to say, the general welfare of the populations (Chomsky, 1998).

(b) secondly, the unseen geographical scope of globalization brought about the construction of a universal capitalist space, subjecting and/or integrating to its dynamics even countries like China whose social and economic organization is, strictly speaking, non-capitalist. By comparison, the “capitalist world” at the beginning of this century was much more narrow and circumscribed: the North Atlantic area, the coastal regions of Latin America and the Caribbean, and some isolated spots in Africa and Asia. At the end of the same century the scope of the “capitalist world” has enlarged to reach formidable dimensions, and its laws of motion decisively shape even countries like China, Cuba and Vietnam, unable to uncouple from the fierce mercantile logic of the world economy.

(c) last, but not least, a no less significant change took place in the instruments and means through which this phenomenal expansion is carried out, namely, the host of new communicational technologies and the radical improvement in the means of transportation. These technological advances sanctioned the triumph of time over space, and the world radically “compressed” by the un-heard speed of communications that in just nanoseconds are able to travel from one end to the other of the planet. Needless to say that this enormous technological progress transferred fabulous economic, political and symbolic power resources to the hands of the global “pact of domination” of Africa that controls such instruments of market-driven democracy.

Market-driven Predatory Democracy

Market-driven democracy in Africa is predatory. Neoliberal ideologues or the current masters of Africa tout democracy while ignoring the mysterious frequency with which democracies ‘go bad’ and become lethal predators. Predatory Democracy is a condition that may well affect between a quarter and a half of all democracies, and it appears to be irreversible. For example, most countries in Africa are Predator Democracies, some of the most advanced of which is Cameroon. Like some motor-neuron diseases, it can advance with varying speed and it defies a cure. There appears to be an as-yet-unidentified point of no return after which a Predator Democracy begins to cannibalize its own economy, destroy the rule of law and slouch irreversibly into misery, chaos and bloodshed.

It is easy to track the aetiology: a Predator Democracy inevitably begins with elected leaders diverting government assets and services into strengthening and extending the apparatus of the ruling party. Initially, this is usually done by preferentially awarding government contracts to supporters and cronies. In Phase Two, party supporters see the more powerful members reaping financial rewards and, sensibly enough, want a share for themselves. But they can hardly all be turned into government contractors. Ruling politicians, rich in power and poor in cash, soon realize that the only way to keep their ordinary

supporters happy is to ensure that government goods and services are provided preferentially to the ruling party faithful. Such favoritism pushes opposition party supporters and the apolitical to the back of the queue. Or it excludes opponents and the apolitical from state services that were originally available to all or that were 'rationed' by some other more egalitarian means. What is evident at the end of Phase 2 is that either there is a discrepancy in the volume and quality of government service afforded supporters of the ruling party versus everyone else, or in some extreme cases party supporters become the only citizens provided with government goods and services.

In Phase Three government falls because dissatisfied rent-seekers defect to the opposition party. The process is straightforward. When party membership comes with a tangible reward it attracts opportunists – generating more corporate supporters than government can keep satisfied with contracts, and more individual supporters than it can satisfy with services. Demand increases while capacity remains static, so dissatisfaction grows. Anyone whose mounting expectations are not met by the ruling party becomes a candidate for defection, added to whatever number of apolitical citizens joins the opposition out of moral outrage after being precluded from fair access to governmental services. The opposition makes promises, some of them rash, and government falls.

In Phase Four, the former opposition takes power facing much higher expectations from its supporters than either party would have faced before politicization. The new government first removes its opponents from public service, replacing them with its own supporters, and wherever possible reallocates government contracts to its corporate allies. Bureaucrats are commanded to reverse previous trends in favouritism and new political beneficiaries are offered the goods and services previously denied them. But promises and expectations conflict with scarcity, and as in Phase Three, dissatisfaction grows qualitatively and quantitatively. Soon enough the unfair expectations that brought the former opposition to power deprives them of power.

In Phase Five, the process accelerates and each successive government tends to have a shorter lifespan than its predecessor. A

new government's supporters accompany them into power with ever-mounting expectations, greedier and less patient than before. Once political activists have learned the techniques of treachery, they become bolder and more skilled and quicker at selling their support, switching parties, hoping to profit from another new government. South Asians refer to this as horse-trading.

In order to survive for even a short period, Phase Five governments must become more efficient in rewarding their supporters. So, in Pakistan for example, soon after an election, politicians routinely give their cronies contracts to cut down miles of 200-year-old trees lining roads, simply because if they do not, their opponents will soon thereafter. In Nigeria, as a case in point, ministers routinely demanded that larger local businesses paid bribes amounting to hundreds of thousands of dollars, unconcerned if they bankrupted the businesses, for each minister knew that he had only one chance to enrich himself and his extended family from contracts and kickbacks and bribes. When his party returned to office, someone else would occupy his position because of the party's need to spread the opportunity for rent-seeking, bringing the greatest good to the greatest number of apparatchiks.

By Phase Five a democracy has become a full-fledged predator. No government asset is safe from looting while few businesses and individuals are strong enough to fend off rent-seekers. The state turns cannibalistic, feeding on the country's muscle and bone. Productive capacity weakens as the private sector is drained and its infrastructure is stripped and looted or at very least starved of nourishment. In these terminal stages, a change befalls the people themselves, rendered cynical and deprived of hope. Finding ways of moving savings abroad, shipping one's children overseas or emigrating *tous ensemble* becomes an obsession, a cross between a national IQ test and a lottery.

Remedies are short-lived. In Cameroon, during Phase Five top political figures have been arrested several times and ramped into jail for long periods of time for corruption, but only temporarily – predation always followed the reintroduction of democracy within weeks because the country is not far behind, heavily politicized and corrupt. Regardless of whether these tin gods bungle the job,

democracy has failed in the continent. Yet the pious, ideologically-propelled West - particularly America, Britain and the Scandinavian countries - do nothing more than scold Africa on the supposed moral superiority of democracy and threaten to withhold foreign aid. There may be an African strain of Predator Democracy, without rapidly churning governments, usually ruled by a strongman or a single party but equally rapacious. Mr Mugabe's Zimbabwe is the most notorious but there are many examples of varying virulence. However these usually turn out to be predatory dictatorships masquerading as Predator Democracies.

When confronted by people suffering and dying under Predator Democracies, most Western pro-democracy ideologues make little tut-tutting sounds, nod in what looks like sincerity and condescendingly tell us that it will take some time for all those supposedly backward brown and black people to advance to our present magnificent condition. They ignore a distinct possibility that our countries are earlier on the evolutionary chain, while Predator Democracies are more advanced than we.

If you apply game theory, and assume that the purpose of governance is the most efficient allocation of loot, then the South Asian model of a Predator Democracy is the most efficient. It uses the smallest and shortest-lived majority to capture and allocate the greatest quantity of spoils. It cannibalizes nations, but it is devastatingly efficient. And, looking at the political spoils systems advanced under Clinton, Bush and Blair, is anyone really certain that Africa's political future doesn't resemble Bangladesh? Africans have thousands of years of tradition behind them of probity. But, most of them assume, with neither shame nor doubt, that it is the right of any leader today, born or elected, to reward his supporters from the public purse. Conversely there is close to one thousand years of Anglo-Saxon traditions, reflected in common law and statute as well as French civil law, attempting to keep governance free from favoritism. These two very different roots grow much deeper than any form of government, and they are nourished by two very different cultural concepts of fairness, neither of which can be changed easily or swiftly. But that won't stop the West's shallow, undereducated ideologues, the punch-drunk Whigs

and self-satisfied Wilsonians insisting that tyranny can be eradicated and that democracy and its prerequisite values can be installed with the ease and speed of a plug-and-play computer program off a CD-ROM. Or at gun-point.

Democracy as Struggle for African Self Determination

While most African countries embarked on the process of transition to democracy following the Third Wave of democratization of the 1980s, the establishment of democracy in the continent provides a unique case study. Let us distinguish four general types of transitions in Africa:

- Transformations where the elites in power took the lead in bringing about democracy (as in Benin, Nigeria, Kenya, Zambia, and Tanzania);
- Replacements where opposition groups took the lead in bringing about democracy (as in Madagascar, Cameroon, and Ghana);
- Trans placements where democratization occurred from joint action by government and opposition groups (as in Senegal, Czechoslovakia, Bolivia, and Nicaragua); and
- Interventions where democratic institutions were imposed by an outside power (as in most Francophone African statelets in Africa following Mitterrand's speech in La Baule, France, tying French foreign aid to democratization.

Political analysts comment that the Third Wave of democratization resulted in a radically restructured map of global democracy and much optimism about the future diffusion of democracy. As a continent, Africa is endowed with a huge size and a vast amount of natural resources, rendering it the potential to play a crucial role in world politics in general and African politics in particular. But the waves of bringing about democracy in Africa have been spasmodic and interspersed with violent political revolutions and subsequent military repression.

Globalization and its neoliberal response brought about the unprecedented empowerment of private interests at the expense of everything “public” in Africa. This process has placed emergent African market-driven democracies under the Damocles sword of capitalist coalitions, which can easily and at almost no cost destabilize the political process when they see it fit (Boron, 1995). As a result, African democracies find their state capacities progressively deteriorated and unable to provide the collective goods needed for the bare reproduction of civilized life: health, education, housing, social security, food programs, and so on. Weak democratic states have only produced feeble and ineffective governments which, in due course, tend to aggrandize the social, economic and political weight of very rich and better organized private collective actors (Przeworski, 1985:138-9). Given that capitalist economies are extraordinarily sensitive to the economic calculations and initiatives of the entrepreneurs and, on the other hand, that the weakened African national states have very few instruments of markets regulation and control (especially in front of the globalization of economic and financial transactions), most governments prefer to make sure to count with the “confidence” of the business community event at the expense of declining levels of popular legitimacy and support. The outcome of this policy choice is a democratic regime of poor quality and mediocre performance, where democratic arrangements are increasingly perceived as political rituals deprived of any relevance in terms of the quality of everyday life of the citizenry. The popular “devaluation” of democracy goes hand in hand with an analogous downgrading of politics, seen as a selfish game played by professional and corrupt politicians and wealthy and powerful notables with total disregard for the luck of the common citizens.

A key factor in this situation is that African rich have successfully refused to pay taxes. They react with anger and contempt when governments try to tax their properties, profits and earnings. Even modest taxes on their private boats, airplanes, sport cars, fancy summer homes or other luxurious items are regarded as “communist” confiscations or populist excesses, and the World Bank and the IMF would send their notorious “missions” to feed these kind of outcries.

For the Latin American propertied classes the American IRS and Stalin's Politburo are twin institutions aimed at the destruction of private property and capitalist civilization. The "tax veto" is an aberrant social and economic tradition dating back to colonial times, and as such it has periodically created unbearable pressures on the state budget. Give the rigidities faced by the fiscal accounts on the "revenue" side- because of outrageous legal loop-holes, systematic tax evasion, and the successful resistance of capitalists to modernize and democratize the tax system - policy-makers have routinely tried to "solve" the fiscal crisis by cutting expenditures or, when possible, raising new indirect and socially regressive taxes. In both cases, the burden of the financial adjustment rested on the shoulder of the workers and the poor. In Argentina, for instance, a research sponsored by the World Bank proved that, in the late 1980s, the "tax pressure" of the richest 10% of the population was equal to 27% of its total income, while the taxes paid by the poorest 10% of the population amounted to 29,3% of its earnings. Unfortunately, in this matter at least, the "structural reform" launched by Menem in the 1990s only served to make things even worse! (Santiere, 1989).

With the debt crisis the chronic underfinancing of the state in Latin American became a source of major and urgent national and international concern. Why? Because heavily indebted countries, especially those who signed the Brady Plan, from then on must have consistent budgetary surplus- not only a balanced budget - in order to repay the principal and the interests of an ever growing external debt. Therefore, amidst the severe crisis of the 1980's Latin American states, like those in Africa, reinforced the recessive trends of the economy with a procyclical fiscal policy that depressed even more the purchasing power of large sections of the population, shrunken the incomes of the middle classes while creating - in accordance with fashionable "supply-side" economics - new "tax incentives" to the rich in the hope that they will invest in productive sectors. The harsh cuts in social expenditures and in the public spending in general became one of the cornerstones of the neoliberal blueprint, justified by the need to "keep the numbers in the black" and to reduce allegedly oversized states.

What theorists of the Washington Consensus conceal is the fact that the critical situation of the state accounts in Latin America and the Caribbean is not caused by overgrown governmental expenses but by the chronic inability of her governments to collect taxes from the wealthy. In this matter the World Bank's schizophrenia is notorious: while the research of its own experts conclusively prove the preposterous regresiveness of the Latin American tax systems, the Bank's leadership exhorts our governments to "reduce the tax burden" in order to attract private investment. Despite the allegations of the neoliberal zealots, the tax burden (measured as a percent of the GDP and excluding social security contributions) of the more developed countries of Latin American hinges around 17% while in the OECD countries this proportion is more than twice as much, reaching 37,5%. Even most meaningful are the figures concerning the taxes to capital gains and profits, which in the OECD countries reach an average level of 14% of the GNP while only 4% in Brazil, 3% in Argentina, Chile and Uruguay, and 1% in Bolivia (Cepal, 1992:92) It is astonishing that Latin American governments that were strong enough to dismantle and/or sell at very low prices large - and sometimes very efficient- public enterprises, shut down governmental agencies, terminate social programs, privatize all kind of public services, destroy labor unions, wildly cut the public budget, and overwhelm the public resistance to these policies appear as surprisingly weak and frail when faced to the tasks of organizing an equitable and progressive tax regime. The class selectivity of the neoliberal state is blatant: strong to promote the market forces and to advance the interests of big capital, weak do defend the public interest and to be responsive to the needs of the poor.

The outbreak of the debt crisis in Latin America hastened the relentless disarticulation of the state apparatuses and the rather disorderly retreat of the governments, deserting from policy-areas in which their contribution had been very positive and important for large sections of the popular classes. Therefore, if these countries fail to break the back-bone of the "tax veto", the reconstructed Latin American capitalism will bear much more resemblance with corrupted

and mafia-ridden “free-market” Russia than with tidy Switzerland or Austria.

In this regard, the irresistible process of economic globalization only made things worse: the “tax veto” coupled with globalization brought about a radical weakening of the national states in the periphery, the lessening of their administrative and decision-making capacities, a decline in the quality of governance and growing levels of vulnerability in front of an increasingly complex domestic and international environment. The radical enfeeblement of Latin American new democracies caused an abhorrent distortion in the order of preference of their responsiveness: governments in the region are first and foremost responsive to the interests of the foreign creditors and the key sections of the international capital and its “watchdogs”: the World Bank and the International Monetary Fund; second they respond to the domestic “market forces”, euphemism to designate big capital and firms, local or foreign, operating in our markets; thirdly, and much later, to the citizenry and civil society at large. The problem is that is very hard to conceive of a solid democracy without reaching a minimum threshold of national sovereignty, that means, deprived of the ways to make autonomous decisions in crucial matters that will inevitably have alternative distributional impacts. Given the formidable reach of globalization, and the reinforcement of financial dependence due to the external debt, a democracy sitting on a weak state increasingly deprived of decisional autonomy is likely to decay.

The globalization of the economic activities and, very especially, the neoliberal response to it caused the new Latin American democracies to surrender important margins of national sovereignty and self-determination, *de facto* and sometimes legally transferring decision-making powers in a growing number of sensitive areas to transnational firms and international financial institutions under the guise of commercial agreements, “conditionalities” and “country risk” evaluations. Monetary, industrial, commercial and fiscal policies, hitherto by and large decided within the national boundaries of Latin America, are today settled in distant scenarios - mostly New York, Washington, London, Paris, Tokyo - far removed from the reach, let alone the control, of the “sovereign” citizenry, impotent to counter the

harmful effects of the globalized economy and mostly unable to take advantage of the scarce opportunities it brings to the poor.

Were these processes of globalization and state enfeeblement neutral in terms of their distributional impacts? As a matter of fact local capitalist and their metropolitan partners obtained several gains from the rather dramatic “downsizing” of the old developmentalist state: first, they significantly reinforced their economic predominance by drastically reducing the public control of the markets and economic activities established in previous times, and undermining both the consistency and scope of the public sphere in itself. Today, Latin American societies have also become highly “privatized”: the state has retreated to minimal functions, and former collective goods - health, nutrition, education, housing, occupational training, and so on - became individual problems that must be solved according to the egotistic rules of the market place.

The name of the game is the survival of the fittest; the rest, the poor, the elderly the children, the sick, the homeless, the unemployed and unemployable are the new clients of the Red Cross and the host of non-governmental organizations. Private charity and altruistic associations substituted for supposedly cost-ineffective social policies and state intervention. Secondly, the withering away of national states and the wholesale privatization of state-owned enterprises and state-administered services transferred highly profitable monopolies to the capitalists and granted the repayment of the foreign debt -contracted, as in Argentina, Brazil, Chile, Uruguay and many others - by irresponsible, corrupt and *de facto* military rulers. Neoliberalism supplied the general justification for the transfer of public assets and state-owned enterprises, paid for with public savings, even in areas consider “taboo” and untouchables until a few years ago, like electricity, aviation, oil, or telephones. Thirdly, these reforms changed in such a dramatic manner the balance between state and markets in favor of the later that the “degrees of freedom” of any future government sensitive to the popular demands, or inspired by even some vague reformist vocation, will (a) immediately realize that it lacks some of the most elementary instruments of public policy-making as well as the efficient administrative cadres to carry out these tasks; (b)

rapidly fell to its knees, overwhelmed by the weight of a formidable capitalist coalition. This is why one of the most urgent tasks facing Latin American societies is the reconstruction of the state. As a former ministry of industry in Venezuela rightly observed, by the end of the 1990s “Washington may encounter some surprises to the south. Latin America, which has spent the last 10 years demolishing the state, will spend the next 10 rebuilding it.” (Naim: 133).

Democracy has been traditionally defined in relation to the notions of political power and participation in the processes of governing. For the purpose of the present study I offer a broader understanding of the term, namely the possibility of real impact by an individual or a group of people over all aspects of their lives. This includes both power over other people and power over oneself. The latter is understood not as mere self-control, but rather as self-knowledge, including an ability to analyze one’s environment and the factors conditioning one’s life, and to adopt proper means to achieve important goals or at least to minimize losses in case of failure.

The problem of how to ensure direct and effective participation in political processes is crucial to modern democracies. For members of small traditional communities, direct participation is hard to avoid. The more dense and complex the social structures, the less direct the participation of citizens. The increasingly low voter turnout in many countries suggests that fewer people today consider elections to be an efficient and effective way of influencing their future. Political scientists note that this opens the way for small minorities to determine elections and, consequently, the distribution of political power. They are particularly concerned to analyze why people refuse to vote. As a sociologist, I am more interested in studying how those who stay out of the electoral system nevertheless participate in the political process and influence its results. I believe that as long as there is this personally democratic alternative to institutional politics, no voter mobilization campaign will bring people to vote in large numbers.

Most citizens of modern democratic societies are much less interested in discussing systemic or ideological alternatives, which they leave to their political leaders, than in having an effective influence over matters related to their daily life. This was evident in the rapid

onset of disillusionment with elections that occurred in the so-called post-communist countries of Eastern Europe. Under communism, when voting was perceived as endorsing scripted propaganda, the majority of Polish people were certain that free elections would have a positive effect on their lives and living conditions. Today, sixteen years into the democratic transformation, the political mood is no longer so optimistic. Only a small percentage of registered voters participate in local elections, and about 50% in the highly publicized national ones. This is not in itself unusual, but in contrast to many western countries, many Poles are losing control even over their more immediate personal circumstances. The rapid growth in unemployment is a contributing factor. People who cannot make a living by working legally are forced to enter the illegal “gray” area, often to collaborate with gangs, to function in an alternative, unofficial political and economic system.

People can accept relatively easily an inability to influence “big” political issues. But when their personal choices are restricted, they become a threat to society and its political elite. In my opinion, most of us, both in Eastern Europe and in the West, have to accept that in the future we will be living, at best, in complicated, multi-systemic democracies, faced at every step of our lives with different, often conflicting systems of values and social structures. This is not a new phenomenon. Almost all citizens of developed industrial countries already live in two social systems: the family system and the bureaucratic one. Now, more and more of us will have to accept a third one. To participate in a social meal, we will have no choice but to sit at the table with gangsters. In my opinion the role of this new gangster system in our lives is already comparable to the roles played by family, state administration, and the Church. Such a comparison may seem frivolous, so I would like to introduce some important qualifications and methodological clarifications.

First, I distinguish between analysis of structure and of culture. Analysis of culture makes it possible to diagnose attitudes and behavioral patterns even when conclusions about the organizational structure have to remain hypothetical (mostly because of the classified character of any precise information on gangster activities). Second,

even if information were available, some organizational structures cannot be unequivocally classified because they were deliberately (or through trial and error) constructed as multi-system entities. The Roman Catholic Church is an example of an organization that includes elements of different systems. Both its nomenclature (“father,” “brother,” “sister”) and its functioning, especially at the parish level, show an analogy to the family system. On the other hand, the church as an organization is hierarchical and bureaucratic. At the same time, it requires of its members a degree of loyalty, discipline, and often also secrecy and ruthlessness comparable to the practice of gangster organizations. In my opinion, it is precisely this multi-system structure that accounts for the durability of the church as an institution, which seems to suggest the possibility of a similar basis of durability for multi-system democracy.

Given these points and what they suggest for comparing the family, bureaucratic and gangster systems, we can consider the relative strength of the impacts of each system on the lives of individuals. We are born into a family and then spend most of our lives under bureaucracy. At the same time, we are exposed to the influence of the gangster system, presented in mass entertainment or operating at least some of the most normatively compelling areas of our lives (e.g., professional sports). I use the term gangsterism to indicate a phenomenon as natural in social life as predatory behavior is in nature, and which encompasses attitudes and modes of behavior that support manipulation, force, and deceit without regard for risks or victims. In relation to social groups, gangsterism may also be analyzed as a subsystem (or counter-system) with a specific ethos and structure, and here obviously the comparison with nature ends. But despite the fact that the parallel between gangsters in society and predators in nature has its limitations, I still find the analogy useful. Nature assigns each species the role of predator or prey to preserve a certain balance. Human beings play such roles as well, and societies have been able to incorporate them into whatever unity is possible under the circumstances.

The integration of more complex social entities, including modern national and multinational states, requires both force and shrewdness.

Gangster methods become the monopoly of the most powerful elites, who claim to represent society as a whole, determining the content of law, the limits of justice, and aspects of national ideology. Anyone outside of that power structure who tries to use the same methods is severely punished, typically with the approval of society as a whole.

The very same gangster or predatory behavior can be officially sanctioned when performed by ruling powers, and considered criminal when it is an action of groups or individuals not participating in the existing power apparatus (who may then be called bandits or freedom fighters, partisans or terrorists, depending on who is doing the labeling). Both forms of predatory behavior (formal and informal) play an important social role and should be analyzed objectively in terms of the function they have played in human history. As such, neither can be considered purely negative—not only because very often the two forms overlap each other (e.g., the pirates of the British Crown, colonial discoveries and invasions, etc.), but also because the informal predatory activities create a necessary balance to the official ones. Without such balance, so-called social progress could be achieved only through bloody revolutions or wars and military coups. History may still follow this course, but the current development of our civilization permits us to believe that the dynamic equilibrium necessary to avoid such cataclysms can be achieved.

Modern history analyzed from the point of view of gangster structures and their influence over social development makes such a theory quite plausible. If we look at the importance of economic gangsterism in the United States, we can conclude that it not only contributed to the creation of a successful predatory capitalism, but also averted a bloody social revolution by providing potential revolutionary leaders with other options for social ascent. The moral and material costs of such practices seem to be smaller than costs of the October Revolution in Russia, which also used forceful informal methods to fight the existing system. In Africa, political consolidation even according to the apostles of neoliberal globalization faces enormous challenges. The real challenge of democratic consolidation is to sustain a novel kind of political environment where democratic competition is institutionalized and interests and aspirations of various

groups are balanced in political competition. Presently, it has been observed that African countries suffer broadly from the following challenges to their democratization process:

- *Party switching and defection* at the level of political party structure: This political infidelity is a chronic vice in Kenya where Uhuru Kenyatta and William Ruto had to come together to fight for the Presidency on a single ticket for the sake of political survival.
- *High levels of corruption* among the leading politicians: Since the restoration of civilian government, each political regime in Brazil has been maligned with scandals and scams. It may be mentioned that in 2009 and beyond, very powerful ministers of the Biya regime in Cameroon including a former Prime Minister were spectacularly arrested and charged with corruption, racketeering and money laundering.
- *Militarization of the public space*, that is, the use of military forces, methods, procedures and personnel in police activities for safeguarding the citizens, thus giving a military character to public safety. With the end of the cold war and in the absence of any border conflict, the Brazilian armed forces turned even more to their domestic affairs. Since these actions were being performed within the existing legal structure, it seemed that the military was subordinate to constitutional civilian control. But the lingering of this phenomenon is simultaneously corroding some institutions that are fundamental to the survival of the social pact, such as the police and the Constitution. Furthermore, it bestows on the military a power increasingly incompatible with its role as the defender of the external security of the country.
- *Racial/ethnic discrimination* and other human rights violation: South Africa has a recent history of institutionalized slavery. Though the civilian government ratified numerous international treaties and conventions for the protection of Human Rights, still many examples of state institutions still exist at the levels of state and local government that do not uphold the rule of law. Police killings, torture, inhumane conditions in prison and the

extermination of children in the streets remain commonplace. Moreover, the judiciary perpetrates racial discrimination by meting out harsher treatment to black criminals compared to their white counterparts. The Judiciary perpetrates racial/ethnic discrimination by meting out harsher treatment to black or “other ethnic” criminals compared to their white/ “in-group” counterparts.

- *Deficiencies in the electoral system:* Analysts point out that at the moment, each state acts as a single democratic constituency. This makes accountability to voters extremely tenuous. For example, in Francophone Africa, deputies represent the “national territory”, not X number of people. Political scientists therefore recommend smaller sized constituencies but this would be possible only with constitutional amendments.
- *High rates of inter-personal violence*, kidnapping and homicide: Such high incidence of crimes is a derivative of social deprivation and inequalities. Many countries like Nigeria or Kenya have one of the highest rates of unequal distribution of wealth in Africa leading to an irreconcilable gap between the strata of society. Drug trafficking, murders and existence of hired gunmen and violent religious fundamentalists and assassins characterize the society.
- *High levels of illiteracy* in Africa further intensify the inclination towards conflicts and violence.

In sum, it would appear that the drive for self-determination, which has acted as the principal inspiration for many modern day nationalist movements in Africa, challenges the legitimacy of the state by placing in question its claim to represent the popular will of the nation. We will now turn to the dynamic between the nation and the state as a means of understanding the basis for what is broadly known as ethno-nationalism that plagues democracy in the continent. Part of this confusion concerning the nature of the relationship between nation and state arises from the different (sometimes overlapping) meanings ascribed to the former concept depending on the particular context, which is briefly enumerated below:

(1) Nation as synonymous with state.

(2) Nation as encompassing the state plus other political entities, such as trusts and non-self-governing territories, as defined in the UN Charter.

(3) Nation as representing a people (not a population) belonging to the same ethno-linguistic group, not necessarily inhabiting the same political and territorial space, but possessing the political will or ambition to form a unitary state (e.g., the Somalis).

(4) Nation as representing a culturally homogenized population living in an existing state (e.g., as in the case of the culturally homogenized African territories by colonial cultures)

(5) Nation as a community of peoples composed of one or more nationalities and possessing a defined territory and government (e.g., Nigeria, Chad, Zimbabwe, Egypt and others).

Given these definitions, an African “nation (or multi-national nation) state” can connote:

- (i) A form of political organization under which a relatively homogenized people inhabit a sovereign state; or,
- (ii) (ii) A political territory where different minority and majority nations formally possessing the same rights live together.

The nationalist belief, as expressed by Guiseppe Mazzini in the 19th century, maintained that every nation (each particular ethno-linguistic group) had the right to form its own state, and that there should be only one state for each nation. This claim has been historically impractical since, by current accounting, there exist practically no ethno-linguistically homogeneous nations.

The territorial distribution of the human race is older than the idea of ethnic-linguistic nation-states and therefore does not correspond to it. Development in the modern world economy, because it generates vast population movements, constantly undermines ethnic-linguistic homogeneity. Multi-ethnicity and pluri-linguality are quite unavoidable, except temporarily by mass exclusion, forcible assimilation, mass expulsion or genocide - in short, by coercion (Hobsbawm, 1991: 555).

In reality, therefore, the definitions are not so clear cut as states are generally multinational (and hence, rarely homogeneous) and nations are quite often polyethnic. There are around 8,000-10,000 identifiably separate ethnic groups in the world, yet only 178 (now 185 - Eds.) states (Mayall 1990: 64). Although the 'political nation' corresponds to the territorial boundaries of the nation state, an 'ethnic nation' may spill over several state boundaries (e.g., the Kurds) and therefore, in that sense, is not synonymous with state.

Categorical Imperatives of African Democracy

Africa today, to be honest, is a sociopolitical and economic example of an externally-imposed and intersubjective creation of Western responses to material conditions. All the anomalies, paradoxes, and dilemmas inherent in the state in Africa, are products of a prevailing ontology. This is a post-Cold War ontology. The state system foisted on the continent by colonialism and neocolonialism is constitutive of contending interest-based images of appropriate socio-economic and political order which divide North and South, and create tensions among competing ethno communal groups. These tensions are extant in the domains of politics, culture and economics.

Indeed, Africa has traversed a long and complex journey of initiating and consolidating its democratic political system. Despite the socio-economic and political problems it has encountered, the continent has established itself as the leading owners of natural resources in the world. Its exports have expanded substantially and there is steady growth of domestic and foreign investment. Hyper-inflation is being overcome, currency volatility and debt-traps as well. In world affairs, she has emerged as a voice in the various international fora like the G-20. South Africa's alliances of 'India, Brazil, China and Russia' (popularly known as BRICS) indicate the growing stature of Africa in making its mark in international affairs by relying on collective strength.

The task at hand for Africa is to maintain the competitive political leadership and a demonstrable relationship between political accountability and the quality of governance. These must be

supplemented by efforts to increase literacy levels by education programs. The power of mass communication must be exploited to promote awareness among the general population about the merits of a culturally relevant, sensitive and responsive democratic system. Culturally sensitive democracy will offer:

a) an institutional design for empowered participation

At the level of the participating citizens, accountable autonomy reduces the alienation that accompanies demands for change from centralized autocratic authority by fusing political task conception and execution at the level of the individual operator. In hierarchical schemes such as those designed by marketization, waves of innovation devised at the top political level wash down on a rank-and-file that often receives them as ill-considered and often impractical (Lipsky 1980). It is unsurprising, therefore, that lack of ground-level “buy-in” is hampering the implementation of innovations in African democratic practices. Citizen participation in deliberative problem-solving sets the content of innovative strategies. Another mechanism in accountable autonomy in politics might be called *cross-functional coordination*. Every political formation like a party and system must deal with complexity by breaking daunting tasks into more manageable parts, and then by developing divisions of labor and expertise appropriate to those subtasks. A final way in which this democratic reform path enhances the effectiveness of public action is by creating a framework of discussion and action in which participants, citizens and officials alike, can earn each other’s *trust through tests of collaboration*. The undemocratic corporate or market-driven bureaucratic principle of professional autonomy demands insulation from public, politicized, nonprofessional “interference.” Hence, the citizens become objects rather than subjects of democracy.

b) Markets and Public Hierarchies

Political reformers of many stripes agree that public policies and administrative organizations should instill the kind of coherence and problem-solving capacity. Indeed, fostering that self-motivated,

innovative drive is a prime objective of culturally sensitive political management and organizational reform of democratic institutions.

c) Civic Engagement, Pragmatism, and Deliberative Democracy

While market-based political reforms stem primarily from insights in economics and new methods of public organization derive from the field of management practice and related scholarship, empowered political participation extends three traditions centered on investigations of society and democracy: civic engagement, pragmatism, and deliberation.

d) Mechanisms of Effectiveness

Those sympathetic to the radical democratic tradition may find accountable autonomy attractive because of its provisions for citizen voice, influence, and deliberation. This institutional design, compared to those of markets and public hierarchies, increases the opportunities for citizens to exercise voice in decisions that are important to them. It may also yield psychological and educative benefits often attributed to participation, such as contributing to participants' political skills, sense of efficacy, and solidarity (Pateman 1970). Accountable autonomy therefore offers deliberative problem-solving to citizens and public servants as a method for reconstructing their trust in one another and modifying their respective behavior in ways that warrant trust. In contrast to the bureaucratic separation of state from society engendered by market-driven democracy, it throws citizens and their agents together at the grassroots level. Joint problem-solving is an occasion for participants to probe each other's agendas, motives, and commitments and to identify and expand real regions of overlap.

e) Sources of Fairness

Apart from the effectiveness of these public-sector organizations, a second crucial axis of evaluation democratic politics concerns the fairness of their policies and actions. In the ideal, fairness in a public-school system would mean that every child enjoys an equal opportunity to gain a high-quality education for his later educational, professional, and personal pursuits. The market system is a total negation of such

high-quality education since its concern is only with training for profitable jobs.

f) Accountable Autonomy, in theory and practice

Finally, empowered participation offers an attractively democratic course of political institutional reform that departs from the received organizational templates of hierarchical bureaucracy, marketization, and the new public managerialism. This approach to democratic political engineering is composed of three generally linked claims: (1) institutional reforms that follow the design of accountable autonomy can spur (2) robust direct citizen participation and deliberation that (3) contributes to the fairness and effectiveness of governance outcomes through a variety of mechanisms. These would be crucial to strengthen and sustain the fabric of democracy and meaningfully attain the goal of democratization in Africa.

Global capitalism, while not yet abolished, is placed under *deep constraints* by the mandate of progressive African governments to eliminate all corporate weapons of exploitation, oppression, and deception, to ensure that no private or public enterprises destroy the environment or its non-renewable resources, and to eliminate continental poverty. The premises of an African liberation *Constitution* include the simultaneous guarantee of economic and political rights within an institutional framework charged with promoting *the common good* of the continent and its diverse peoples. Each present nation state becomes a unit within the world federal system free to determine its own economic and political system within the limits of the *Constitution's* guarantee of these rights to all persons. Imperialism among nations is eliminated with the demilitarization of the continent, including African governments themselves, and the guarantee of territorial integrity to each nation is protected with a system of federal courts to resolve disputes.

Democracy as the movement for human emancipation has moved dialectically through the phase of bourgeois democracy to the phase of territorial socialism and is now confronted with the possibility of an expanded synthesis which can address the impending global cataclysms of the 21st century. This synthesis simultaneously eliminates many of

the regressive features of present global capitalism, along with the regressive system of territorial sovereign nation states. It understands that democracy, human rights, and human liberation cannot be confined or limited to a territorial basis.

It should allow socialists to work freely within a democratic, worldwide political system to promote and further their vision of the ultimate goals of human liberation. The debate between capitalism and socialism then becomes centered on who has the best arguments, on who has the greatest wisdom, and no longer hinges on force of arms, propaganda, and coercion. Only within a planetary framework of the democratic rule of law can the ultimate meaning of human social existence be decided.

Yet this global rule of law in a demilitarized continent in particular and world in general is not simply a visionary result of the dialectical enlargement of democracy. It is also absolute necessity if we are to survive on this planet. As the poet Holderlin wrote, "There where the greatest danger looms, there also lies our greatest hope." Faced with the cataclysms of the 21st century, we have at our fingertips a practical way out. Ratification of the *Constitution for an African Continental Federation* by the people and nations of Africa is the next concrete step in the dialectic of human liberation in the entire African continent.

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*"THE NEED FOR AN EFFECTIVE DEMOCRACY INFORMED BY THE
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ARGUMENT WELL-SCHOOLED AND WELL-MADE BY ONE OF THE FOREMOST
STUDENTS OF POWER AND POLITICAL PROCESSES IN AFRICA."*

FRANCIS B. NYAMNJOH, author of
Africa's Media: Democracy and the Politics of Belonging.

Democracy is the faith that the process of experience is more important than any special result attained, so that special results achieved are of ultimate value only as they are used to enrich and order the ongoing process. Africans must therefore be allowed to apply their cultural and historical experiences and talents in working out a pattern of 'government of the people, by the people, and for the people' according to their own understanding and as their own peculiar circumstances demand. Those who do not want the vertical 'Western-Style Democracy' must be given a fair chance to demonstrate an alternative African horizontal democracy. Perhaps what they come up with might be of benefit to politics even in the West, provided that their radical system of horizontal democracy protects the life, liberty and property of citizens, and provided that the people want it. The question of externally imposed or market-driven multi-party or dual-party or non-party is a matter of modality and should not occupy the center stage in Africa.

Professor TATAH MENTAN has taught Political Science as well as journalism and mass communication in African, American, and Canadian universities. His research interests are in the areas of globalization and security issues, contemporary African politics and the political economy of international relations. Dr Tatah Mentan has authored over ten books and scores of journal articles.



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